
Subcommittee Meeting

of

JOINT COMMITTEE ON THE PUBLIC SCHOOLS

SUBCOMMITTEE ON SCHOOL FACILITIES AND CONSTRUCTION

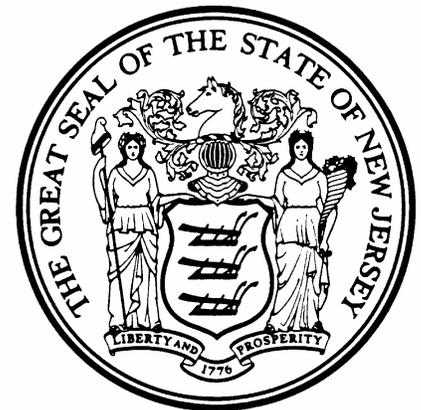
"Department of Education Commissioner Lucille Davy; and Scott Weiner, Chief Executive Officer of the Schools Development Authority, will be present to give an overview of the projects in the district; as well as testimony from witnesses"

LOCATION: Public School Number 20
Jersey City, New Jersey

DATE: October 22, 2008
11:00 a.m.

MEMBERS OF SUBCOMMITTEE PRESENT:

Senator Dana L. Redd, Chair
Senator Ronald L. Rice, Co-Chair
Assemblywoman Joan M. Voss, Co-Chair
Senator Sandra B. Cunningham
Senator M. Teresa Ruiz
Assemblywoman Mila M. Jasey
Assemblyman Joseph Vas



ALSO PRESENT:

Amy Castelli
(Legislative Aide to Assemblywoman Amy H. Handlin)

Melanie Schulz
Executive Director

Sharon M. Benesta
Chief of Staff

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
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SENATOR DANA L. REDD (Chair): At this time, I'd like to call to order our public hearing for the Joint Committee on the Public Schools and, in particular, the Subcommittee on School Construction and Facilities.

I ask that you please rise for our flag salute this morning.
(audience recites Pledge of Allegiance)

Thank you.

For those of you who have cell phones today, we would ask that you please place them on vibrate mode or silent mode so it will not interrupt our proceedings today.

Good morning. Once again, I am Dana Redd, Senator from the 5th Legislative District and Chairperson of the Subcommittee on School Construction and Facilities.

And I am pleased to be here today, along with my colleagues, as we continue the dialogue on construction in our urban districts, our SDA districts; and the legislation that was recently signed into law by our Governor for \$3.9 billion, \$2.9 billion of which will be concentrated in our SDA districts to address the critical needs of our student population -- those facilities which have exceeded their useful life.

This is certainly a partnership with my colleagues, and with those of you who are our educators, and parents, and students, to make sure that we have students that are prepared for the 21st century. And in order to prepare our students for the 21st century, certainly they need to be in facilities that are equipped for the 21st century.

Again, this is a discussion on the future of our school system and school construction throughout the State of New Jersey. And it is an

investment not only in education, but certainly an investment in our economy -- which I know many of you have followed our Governor in his recent announcement with his economic stimulus package, which we're all working together with him.

I want to, on behalf of this Committee, thank the Jersey City leadership for working along with our Joint Committee on the Public Schools to host us today. Today is the second public hearing. Our first public hearing was held on October 8, in Camden City, in South Jersey. And we reached out to legislative districts one through eight. This is a continuation of that series. And we will have a third and final public hearing on December 3 in Newark.

I would like to turn over the mike at this point to my colleague who hails from Jersey City, someone who co-authored the bill for the \$3.9 billion. And, again, it has been my pleasure to serve with her not only on the Budget and Appropriations Committee, but on this Committee in particular. Please welcome our Senator Sandra Cunningham.

SENATOR CUNNINGHAM: Thank you very much for that introduction.

First of all, let me just welcome all of you to Jersey City. As always, we're proud to have people in our city. It's a wonderful city and a city that's on the move. And we're very fortunate today, because our Mayor is also here. I'm going to ask him to welcome you shortly.

As you know, as Senator Redd has already said, there has been money allocated for school construction. If you look around-- This is one of the schools, School 20 -- that we will be building a new school. As you

can see, this is an old building. You have the auditorium upstairs. It's definitely not a good place to educate our kids.

But being in Jersey City, we're proud to say that our kids are being educated because of the leadership of the city and because of Dr. Epps, who is with us as well.

But this is one of the schools. I believe this will be built in about three years. Is it on target?

UNIDENTIFIED SPEAKER FROM AUDIENCE:
(indiscernible)

SENATOR CUNNINGHAM: It's on target for three years.

Let me just say, in Jersey City we also have a few other schools that are on target within the next four to five years. And that's PS 3, which is going to be a elementary school. There's another PS 3, which is an early childhood center. I understand they're going to share the same plot of land. If you recall, it's near the Stop & Shop up in the Heights area.

Remember that, Mayor? (laughter)

We also have another early childhood center which is going to be 13, and another early childhood center which is going to be 14. I'm sure that the numbers or names of these schools will change, because it's just -- we have a lot of the same names.

But anyway, this is all part of moving the city forward and providing the best education possible for our young people. One of the things that I'm sure is going to come out of this public hearing is, where do we go from here? It's taking a while for this money to come through. But there are still other projects and other schools that need to be taken care of here in Jersey City.

But today I welcome all of you, and I'm sure that this is going to be a good discussion. I won't introduce all of the participants. Senator Redd will. But I will introduce our Mayor to say a few words.

Mayor. (applause)

MAYOR JERRAMIAH T. HEALY: Good morning, and welcome to Jersey City. We want to thank Senator Redd, Senator Cunningham, Assemblywoman Jasey, Assemblyman Joe Vas, and the rest of the distinguished panel for coming to our city.

As the Senator told you, this is one of our oldest and a school that cries out for replacement, really.

So we're happy to host this event. We hope that good things come out of this. We're happy that the Governor and the State Legislature has seen fit to appropriate that \$2.9 billion. We think that strides have been made here in Jersey City. We think that the early childhood program that was launched here in Jersey City and other Abbott districts has born good fruit. We think that's a good way to go.

We want to thank the Board of Education, of course. Dr. Epps is the head of that. We want to thank Scott Weiner for being here, of course, and Lucille Davy, head of the Department of Education.

I would just ask all of you -- and Lucille, Scott, and everybody on the panel -- to think vertical when we're talking about our city, Jersey City, and other urban areas. One size does not fit all. I know that the DOE has rules and regulations for youngsters from early childhood to third grade -- I think it is -- that you can't be over one story or two stories. We are not -- Jersey City and other places -- Paterson, Trenton, Newark -- I'm sure I'm leaving out other large, urban areas -- New Brunswick, Camden. We do not

have the luxury of having that abundance of land -- Perth Amboy. We are not in the same situation as a rural or even a suburban area. We've got to think of going vertical: three, four, five stories, whatever it is for our grammar schools so that we can accomplish what we have to. That's all I-- I would like everybody to have an open mind on that. We hope that we can make some adjustments to that -- what appears to be now a one-size, which-does-not-fit-all -- and to make the adjustments necessary for crowded, urban areas where land is a scarce resource.

So thank you for coming here. We appreciate all that you've done. And we hope that this is a very productive session as the one two weeks ago was.

Thank you, all. God bless you. Keep up the good work.
(applause)

SENATOR REDD: Thank you, Mayor Healy.

And I, for one, can certainly agree that the one-size-does-not-fit-all scenario -- hailing from the City of Camden. And I'm certain that there are distinct characteristics, whether it's in Perth Amboy, Jersey City, or some of the other urban centers where we're trying to reform education and transform our facilities.

So, again, thank you for the welcome. Thank you for your insight and your vision. And we look forward to working with you.

Continuing with our panel, I'd like to now introduce Assemblyman Vas, who certainly hails from Perth Amboy. He's someone who serves on the Budget Committee in the Assembly, is the Chair of the Economic Growth Committee, and also, as you can see, a fine member of

this Joint Committee on the Public Schools. We're happy to be in partnership with him.

We'll now receive him for remarks this morning.

ASSEMBLYMAN VAS: Thank you very much, Madam Chairwoman and other members of the Joint Committee.

Certainly my greetings go out to Mayor Healy; and to our former colleague of the General Assembly, Superintendent of Schools here in Jersey City, the Honorable Charlie Epps; and to the Commissioner; and Mr. Weiner; and to all the other distinguished members of the State who are here today.

I concur with the other members that we're on a very, very fast track in understanding the importance of not only providing quality schools for New Jersey and the intrinsic value of facilities as it relates to the education in New Jersey of our public schools, but particularly at this time when we're looking for a way to sustain what is an economy that is directly affected by our backyard, Wall Street, and the collapse of Wall Street, and the economic meltdown. It is critically important that we put people to work in these construction projects, whether they're school construction or transportation. It is our way to mitigate the damage to our economy, the loss of jobs, and to put New Jersey on a sound financial footing for when this recession comes to an end; to make sure that we are accelerating the rebound of our economy. And so I want to thank the other members who are here today who appreciate that and understand that. And especially to the other urban districts who really are looking forward to the opportunity to continue the improvement of schools. There is no doubt that the construction of schools throughout New Jersey, but especially in our urban

districts, has made an appreciable impact on the quality of education. We see it in the results that are occurring in all these schools. And really, quite frankly, we've just touched the tip of the iceberg. We know the size of our urban schools in New Jersey, we know the growing school populations, and we also know that even after this \$3.9 billion, we'll have to look down the road to make sure that we haven't simply just started the job. We have to complete the job. And that's a job that's important to the quality of life for all of New Jersey.

One of the things that clearly distinguishes our country from the rest of the world -- and it was inscribed in the original constitution of the oldest constitution of states in our country, and that is in the constitution of Massachusetts -- and that is, at that time, an older John Adams spoke to the issue of public education -- a free, public education -- and its direct benefit to a society in improving the standard of living, improving the health of a society, and making sure that there is an empirical difference in terms of intellect between our nation and other nations in the world. That is what has made our nation the greatest nation in the world. And we have to be focused on that and not look weakly on simply the cost, but the cost-benefit of the investment that we make.

So I'm proud to join all of you here this afternoon in this very important discussion that we'll have.

Thank you.

SENATOR REDD: Thank you, Assemblyman Vas.

And last, but certainly not least, is a young lady who has been a life-long educator, and is very passionate about people, and brings a unique perspective to the General Assembly. She serves as a Vice Chair of the

Housing and Local Government Committee, is a member of the Assembly Committee on Education.

Please welcome Assemblywoman Mila Jasey. (applause)

ASSEMBLYWOMAN JASEY: Thank you very much.

One of the advantages of going last is that everything that needs to be said has basically been said from our point of view. And I'm anxious to hear from our presenters this morning.

But let me just say that it is really a pleasure to be back in this school. I was here during the Summer when it was very warm, especially upstairs here. I think the sweat was just pouring off of us. And there were no children present. And it is truly a pleasure to be here this morning and to have had the opportunity to meet some of the young people who greeted us. They did an excellent job. And Cassandra, I believe, was my guide. And she explained to me about blue, and the motto, and the school. And she really gave me a very nice picture of what it's like to be a student here. And as a former board of ed member, it's-- You have to look to the children and look in their eyes, and see what's happening in the buildings and in the schools. And while this is not a wonderful facility -- and I'm very glad that we're going to be replacing it -- the children, and the teachers, and the staff in the building are who make up the school. And I have a very warm and positive feeling about this place. And so I'm happy to be back here, and I'm looking forward to supporting the progress that we've charted for not only this facility, but for facilities going forward in all of our schools -- our school districts, both urban and suburban, that need help to renovate, replace, rehab their facilities. And I'm especially happy to see that we have representatives from the charter school community, because they are public

schools also. And I'm very interested in supporting their efforts in order to give parents choices within their communities, but within the public school system.

So I look forward to today.

And the other thing I'll mention is, I think it was last week we were at the preschool a few minutes from here, which is a brand new facility. And wow, that was beautiful. And it made me realize that we have a long way to go to fulfill our promise to New Jersey's children.

So thank you for everyone who is here. And I'm looking forward to being informed this morning. (applause)

SENATOR REDD: Thank you, Assemblywoman.

At this time, I'd like to call up, to give us remarks, a gentleman who has been a former member of the General Assembly and is certainly the Superintendent of this fine district. I've just met him, but I can tell that he's a hard worker and is very committed.

Please come forward, Dr. Charles Epps.

SUPERINTENDENT CHARLES T. EPPS JR., Ed.D.:
Let me just stand up.

SENATOR REDD: I'm going to ask you to sit down so you can use the mikes so we can have your recorded testimony. I don't want to get in trouble with the ladies.

Thank you.

SENATOR CUNNINGHAM: We had this issue last week, remember?

DR. EPPS: I am so sorry.

Let me greet you -- the best school system in the State of New Jersey, the second largest school district in the State of New Jersey, and the number two high school in the State of New Jersey. And this year we have the Blue Ribbon School, which is McNair Academic High School, which was just awarded the school of excellence. So we're very proud.

But you know, I don't want to talk because, until I have--

Will the parents of PS 20 come behind me, please? The parents of PS 20, are you here?

These young ladies and this young gentleman came out this morning because they're concerned about their school. And I wanted to let you know that they are big advocates for public education. They work in this school with the Principal and the Assistant Principal.

Where are the Principal and the Assistant Principal? Would you come up, too?

We really greet you in the name of education, because the kinds of things we do here are remarkable. You saw students that were in their uniforms. And they can explain to you what their school is all about and why they are in uniforms. You have a district that, with 30,000 students, every last one of them wears uniforms every morning, coming to school. The only comments that I get on phone calls in the morning is, "We're so glad to see-- We're so glad the school is open, because all our kids are in uniforms." So that's a good thing.

But as far as public construction, let me just tell you, we're very proud that we have five of those projects for Jersey City -- early childhood centers and elementary schools. But, you know, we have a lot more to do. Can you believe that students come to this building? You climbed the three

flights of stairs this morning. And I hope you were tired. (laughter) I hope your legs got tired from climbing so you can move as fast as you can to ensure-- Today, we have God's air conditioning. But in the Summer, we didn't have air conditioners, as the Assemblywoman said. These children come here happy every day. The teachers love them every day. And this type of environment--

So what makes up the character of this building are the parents, and the teachers, and the administrators, and, more importantly, the students who come here with love every day.

We're asking you to do whatever you can to move-- This building will be built -- we have the land already -- will be built in about the next two-and-a-half years. We have the plot of land. So we're going to be very happy. We're going to go through those design projects as quickly as we can.

We have four other projects that we're very happy with -- with the early childhood. And I have no problem in going vertical. We tried to do that before people thought about going vertical. We thought about -- with all the renovations, and the condos, and all the things that were going up in Jersey City -- that we could put schools on the bottom so those families can have their early childhood centers there, so when they went to work in the morning, they could just drop them right off. What a wonderful experience.

We have to think out of the box. That's how I became Superintendent. We do things out of the box. The traditional way -- we have to look at things differently, and that's what we're doing. But we can't do it without these wonderful people behind me.

I have a young man -- he told me he was older than I am, and he is.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Not much.
(laughter)

DR. EPPS: Not much.

You have a parent 70 years old. He got up this morning to say, "I'm happy to have this in our school." He has a grandchild that is here in the first grade. So he told me he is going to be here after that is over with, and (indiscernible) great-great grandchild. So I'm asking you guys, I'm asking my former colleagues, to move forward. Make this thing happen for students in Jersey City. Because the key to this is education.

Thank you so kindly. (applause)

SENATOR REDD: Thank you, Dr. Epps.

And I'd also like to have remarks from our Principal, Mr. Fernandez.

And let me tell you, when I walked through the doors today, it was certainly very inviting, a warm and friendly atmosphere. And the students did a wonderful job in welcoming all of the State legislators here this morning.

And yes, I walked up three flights of steps. And yes, I was winded. Now, my friend to the left is in shape, but I was very winded. (laughter) So I can only imagine what the Summers may be up in this area.

But again, education is the key to the future. And Principal Fernandez, I want to thank you for welcoming us. And if you would have remarks at this time.

J O R G E F E R N A N D E Z: Well, it's an honor to have you here.

Thank you.

I just completed my daily routine exercise. I went down to the basement and came back up. So that's why I missed the introduction.
(laughter)

But I'd like to say that I can't wait for the new building to go up. It's going to be very exciting. But I'm going to miss this building. We've done what we could with this building. We're very proud of it. I love this place. Part of it -- as you came up the steps, you could see why. It has a lot of character.

And we've done more than what we can. We've been a no-status school for the last three years. We are a successful school. I have a great staff here. I couldn't ask for a better staff. And the children -- I hope you have a chance to walk around and meet our children, because we have the best children anywhere. I'm very proud of them.

So thank you for being here. It's truly an honor to have you all here. And this is your home. Mi casa es su casa.

SENATOR REDD: Thank you. I accept the invitation.

Thank you. (applause)

Since our public hearing has commenced, I'd like to acknowledge our colleagues who have joined us, Assemblywoman Joan Voss, who is the Co-Chairperson along with Senator Rice, who is also soon to join us, of the Joint Committee on the Public Schools.

And I would like to invite her to have remarks this morning.
Assemblywoman.

ASSEMBLYWOMAN VOSS: Thank you.

I am so happy to be here today. Two very important things are happening today. One is that we opened up some wonderful, affordable housing in my district. And I was very pleased. And then to come down here-- This is a beautiful school for its historic value, but we need to have much better facilities for the children.

And as a life-long educator, I just am thrilled to pieces to be involved in making some of the decisions and expediting some of the things that are going to make our children happy and productive citizens. So thank you very much. (applause)

SENATOR REDD: And to my colleague, Senator Teresa Ruiz, if you'll have opening remarks this morning. We have, as you can see, everyone out on this very important issue today.

Senator Ruiz.

SENATOR RUIZ: Good morning, everyone, and thank you for welcoming us into the great city of Jersey City, a neighboring town to my hometown, the City of Newark. And when it comes to infrastructure and capital improvements to schools, I can tell you that I can testify and relate to the need and the urgency of building quality facilities that will ensure that the excellence that's occurring in the classroom is reflective in the outside structure.

So I am honored and privileged to serve on this Committee, because to me it's the critical importance of all public servants -- that if we don't make investments in the best thing that New Jersey has to offer, our children, then we will go nowhere.

So thank you for welcoming me this morning. (applause)

SENATOR REDD: Thank you, Senator Ruiz.

And I'm certain we will hear from Senator Rice, toward the end, with closing comments.

Moving forward with the agenda, we have several presentations that we would like to entertain at this time. The first presentation -- I'm going to bring both of them up together -- coming from our Commissioner of Education, Commissioner Lucille Davy; along with Scott Weiner, CEO of the New Jersey Schools Development Authority.

At this time, you may proceed with your presentations.

Thank you.

COMMISSIONER LUCILLE E. DAVY: Thank you very much.

I'm delighted to be here with all of you this morning. I certainly want to thank Senator Cunningham for inviting us to Jersey City today.

Members of the Committee, Senator Redd, Senator Ruiz, Senator Rice, Assemblywoman Jasey, Assemblywoman Voss, and Assemblyman Vas for being there today-- I also want to thank Mayor Healy, who I know is concerned about the schools in his community. And, of course, Dr. Epps, with whom we work very closely.

I want to apologize in advance that I am going to leave right after my remarks. And it's because I have a very busy calendar. Everything seemed to fall into today's schedule, unfortunately. So I apologize in advance.

Just briefly, as you all know, in July, Governor Corzine signed into law the three major changes that were part of the Act to amend the Educational Facilities Construction and Financing Act. The three major

components were-- First of all, it authorized an additional \$3.9 billion for the State's share for approved school facilities projects, \$2.9 billion of which would be directed to the SDA districts. And then \$1 billion which would go to grants for regular operating districts throughout the state.

Secondly, unlike all the prior allocations of facilities funds, which had been distributed on a first-come, first-served basis, this time -- and without regard to facilities needs or conditions -- this round of funding includes a very specific prioritization process, which is based on critical need in accordance with priority project categories that weren't in the law.

And then finally, there's a requirement for the establishment of a process for an annual allocation of grant funding so that all the money isn't given out at one time. So it gives all school districts a more equitable opportunity to obtain funds from the grant moneys.

By letter dated August 22, 2008, the Department of Education notified school districts that applications for the first round of regular operating district grants would be accepted. And regulations are currently under development and will be published shortly in the New Jersey Register and prior to the application deadline for the first grant allocation. In the meantime, the Department has issued a guidance document so that districts could begin work that would allow them to prepare their applications. As you all know, particularly given the economic circumstances, the goal of being able to get these projects underway as quickly as possible is one that we're trying to achieve.

Based on the long-range facilities plans that are already approved, the Department is aware of a very significant accrued demand for schools facilities projects, especially those that involve health and safety or

capital maintenance. And those are the kinds of projects that can be undertaken very, very quickly, and they can really help to put people to work making the kinds of changes to our schools and improvements to our schools that are also important for the children who attend them.

It is important, of course, that every district have an up-to-date and approved long-range facilities plan. We still have some districts that have not finished that work, although it is our hope that knowing that there are new moneys available -- that that will encourage school districts who have been recalcitrant to get their plans completed and approved. No project will be approved, no moneys will be allocated to any district unless they have a complete plan. And then no project will be funded unless the project is approved and the project falls within the approved plan. So those are two very important points.

Since grant funds will now be awarded on an annual basis, those districts whose long-range facilities plans are not completed, or who may not be ready to advance a project at this time, will still be eligible for the next round of funding. So they won't be basically closed out of the money if they haven't had an opportunity to get a grant application in, in this round of funding.

We're particularly grateful to be here today. It gives us another chance to give the communities and the key stakeholders information about grant funding. And we're certainly continuing our outreach on multiple levels, because we do believe it's really important for school districts to take advantage of this opportunity. This money hasn't been available, as you know, for a few years. And now that there's been a new round of funding

authorized by the Legislature, it's really important for us to encourage districts to take advantage of that.

I'm going to leave you in very capable hands. From the Department, John Hart, our Chief of Staff, is here with members of the staff from the Department's Office of School Facilities. They'll certainly later answer any questions that you have regarding the grant process, regarding long-range facilities plans or the approval of those plans, or how we're going about our construction project review, or the grant program.

And I want to thank you again, and apologize for stopping by and leaving so quickly.

Thank you.

SENATOR REDD: Thank you, Commissioner Davy.
(applause)

Mr. Weiner.

S C O T T A. W E I N E R: Thank you, Senator Redd.

It's good to be back before the Committee.

I was told never to start with an apology, but I'm going to apologize also, because shortly after my remarks I have to leave also to attend an appointment that I couldn't adjust.

But for almost three years, I've had the privilege of working with members of the Committee, your colleagues in the Legislature, the members of the greater New Jersey school communities, both urban and suburban. Dr. Epps and I first met, I guess, just about three years ago. And I think the evolution of activities here in Jersey City -- I'll talk about that in a few minutes -- is indicative of some of the changes that have occurred over the years.

I want to spend this morning and talk to you about the preparations that have gone on to make the agency ready to appropriately and adequately husband and deploy the resources that were provided for urban schools in the last Legislature. And my colleagues who will stay behind -- many of whom you know and some of whom you'll meet today -- will be able to provide you specific details about projects here in Jersey City and elsewhere.

But I think the numbers and the foundation that we start with is an important context. Some basic facts about the school construction program: In the past two years, we have opened up 38 schools -- or major school facilities, providing new facilities to almost 30,000 children who have been impacted by these openings. Right now, there are 28 active construction projects around the state, representing about a billion dollars of work in progress. I said a couple of years ago, and I continue to believe, the challenge that the school construction program faces, which is indicative of the problems and challenges we all face in New Jersey in this area, is scale and scope. It's not just the amount of dollars, it's not the issue of building schools, it is adequately and appropriately addressing, with all the appropriate controls, decades upon decades, upon decades of neglect, which have brought us to this point today.

Since its inception, the schools construction program in New Jersey has completed 584 school facilities projects, which include 44 brand-new construction projects, as well as 41 extensive additions and renovations, as well as almost 500 projects that go under the general heading of health and safety. They're the kinds of day-to-day capital maintenance programs -- projects and improvements that have been

neglected over the years because of the fiscal problems that all of our school districts face -- which were able to be addressed.

This program, as this Committee knows, and as Senator Rice has pointed out over the years, and which the administration takes to heart, is not just an urban program. It's a statewide program that's provided resources to almost every school district in the state. And since the start of the program, there have been over 1,400 grants valued in excess of \$2 billion with the non-urban, non-Abbott or SDA districts.

In addition to just putting money out into the street, if you will, and in addition to providing important educational facilities, these dollars represent significant investments in our community. That investment is reflected not only in the use of school facilities by members of the local community, but also in the opportunity to invest in human workforce development. My colleague, Jerry Murphy, who I trust all of you know -- our Chief Operating Officer -- will provide the details later. I think, under any measure, there have been great successes. But likewise, by any measure, there's a lot more to do and there's a lot more that we can be doing.

So the numbers, while they are encouraging, are not adequate. And as some of us discussed at the Committee's prior hearing in Camden, the philosophy which we take at the SDA, and which is indicative of the Governor's mandate, is, as we deploy \$3.9 billion throughout the state, there should never be a time when a member of a community where that money is being invested has to walk by a construction site and wonder, "How come I can't participate? How come I can't work? How come my child may be going to a new school, but I can't be employed in the trade

that I want to learn or a trade that I have?” And sometimes it can’t always be in that community, but it should never, ever happen that that man or woman doesn’t have an opportunity in this state.

We viewed the School Construction Program as a front door into those opportunities. And Jerry will be able to talk about what we’re doing about that. And again, we want to acknowledge, with all the success we’ve had, there’s a lot more to do.

During the past two-and-a-half years, almost three years, starting with the Governor’s Task Force on School Construction, up through now, I’ve had the honor and privilege of working with a group of men and women, both at the agency and outside the agency, to address the internal structural challenges that the program faced, in terms of being able to administer these public resources in a way that increased efficiency, increased accountability, increased transparency. And we believe, again like all things in life, one can always improve, and we’re striving to improve. But the paradigm has been shifted dramatically.

So we feel we’re ready to deploy the resources that we’ve started to deploy. And I want to touch just briefly upon some of those controls that have been put in place in order that you the Legislature, your colleagues, and most importantly the parents in the communities throughout New Jersey -- to have confidence that these public resources will be deployed efficiently, appropriately, with appropriate oversight and transparency.

At the heart is a series of fiscal controls that we’ve implemented over the years in anticipation of not just this new funding, but to manage and administer the funding that has been part of our portfolio. We have an

active audit committee, that I think you all are aware of, that meets monthly. And part of that monthly meeting is to review a forecast that is provided every month of what we understand our costs and expenses to be against the targets that we've established. Now, that sounds like, for anybody that has a business-- You're going to say, "So what? That's what you should be doing. Why should we congratulate you?" We're not looking for congratulations. We're really trying to provide the comfort that we are doing what should be done. But the stark reality was, that was not being done two-and-a-half years ago.

Two-and-a-half years, about three years -- it will be three years ago next month, at the start of the Governor's transition -- a number of us who were working on this project for then Governor-elect Corzine asked to get forecasts and to get updates. And the reality was, we couldn't get them. We now get them. They're provided monthly. And that's just one of the reasons why we are confident. And we can look at the greater community of New Jersey, we can look at the people of Jersey City, Paterson, Newark, Camden, and the like, and say, "When we say that money has been put aside to build a school, that money is going to be there, that school is going to be built, and we'll never again face the problem that was faced in July of 2005, when projects had to be shut down."

Most importantly, from a fiscal control point of view, is our initiative of project charters. Those charters are budgets of both time and money that are developed by a project team which consists not only of SDA staff, but also of members of the school district that we're working in. That budget of time and money is presented to the Board of the SDA. And the reality is, we simply cannot spend money on a project unless and until that

project charter is approved by the Board. And then every month, at a Board meeting, we're held accountable, as management, against the standards and the goals that have been set forth in that charter.

We've strengthened the management team. The new faces we brought in are now happily old faces and known to the Committee and, we trust, to communities throughout New Jersey. One of the things I'm proudest of is being able to help build that team and to really point out that while change is always occurring, the significant change has taken place.

We've strengthened our operations. We've moved away from the project management firm model that was inherited where, essentially -- and I know the Committee has heard me talk about this before -- the program, historically, subcontracted out its entire responsibility and created its role to manage the subcontractees. That's simply not our role. And some of the problems -- and we'll talk about -- that were experienced this year in Paterson, and in Newark, and the past in Jersey City and in other communities, dealt with the fact that the accountability and the responsibility was pushed too far down the line. It was pushed too far down the line where the agency was relying on third parties to review the work of architects. And we are now in the process of completing staffing up our capabilities, taking over those responsibilities, not only at the savings of tens of millions of dollars of program costs, but most importantly to have our hand on the throttle; to make sure the designs are appropriate, to make sure the designs, when they're submitted to DCA, are of the quality that we would expect and we know the DCA expects. And the most important factor of that is, it speeds up development time. And the review-- They're just taking way too long because, historically, the inadequacy of the designs

that have been submitted can be improved because of those changes in management.

We have issued a design manual which sets forth not prescriptive requirements but, rather, performance standards, unleashing the creativity of communities and the design community to figure out how to achieve the goals that have been established and allowing that creativity to take place. That manual is going to be followed by a real estate manual that will address the question of: How do we go into a community, work collaboratively with the community to identify land for schools, have the community select the land, do a cleanup when that's necessary, and all the other related issues? That draft manual, I am promised, will be ready by staff so it will be able to be out on the streets certainly before I leave at the end of the year.

We are very proud of our transparency of operations. Our Web site, we think, has not only become friendlier and more receptive to allow communities to see what's going on in their community and allow taxpayers throughout New Jersey to understand how these precious dollars are being spent, but we're also very proud of the fact that not only do we announce the Board meetings like we are required to do, not only do we include an agenda like we're required to do, but we include all the materials that the Board members are going to be considering for that meeting. So anybody who is interested from the public can see the raw data and the analysis that's being provided to Board members to help shape those decisions. And in that regard, the Inspector General, Mary Jane Cooper, has told me that those models of transparency, both of our operations and our Board, is something that she is referencing as a model for other State agencies.

Oversight: This would be important no matter what the standard -- no matter what the experience of the SCC, or the school construction program in prior years. And we're very proud of the fact that we've led the way in bringing in -- deputy inspector generals into the agency who are located at the agency. They've worked for the Inspector General. They're there to provide support to us and to provide a point of entry for anybody in the state who is concerned about the operations on a particular project or the agency as a whole. And, of course, over the past few months -- past year-and-a-half, really, we have been submitting biannual reports to the Legislature, providing you and your colleagues with the kind of information and, most importantly, goal setting and goal reporting that true oversight represents. And I will be meeting with you again in about two months -- about six weeks -- when we will be presenting our most recent biannual report to the Legislature.

I'm sorry Commissioner Davy is not here, but I think -- because I wanted to say while she was sitting here to my left that one of the big transformations that has taken place, if you've been following the agency, is the close working relationship that has developed between the SDA, and the school construction program, and the Department of Education. It is axiomatic. We can't have a good program unless those two agencies are working hand-in-glove, so to speak. And anybody who has followed this program knows that was not always the case at any level. It was a direction that the Governor made very clear to all of us about three years ago. It's something which Commissioner Davy and I took to heart. It's something which our staffs have taken to heart. And in a series of initiatives, we have really seen the benefit of that over the past couple of years -- from working

collaboratively on the two legislative initiatives over the past two years, to developing the protocols and the process for the district-by-district reviews that have been taking place. It has been a tremendous transformation that is yielding lots of results.

So I raise this not so much to talk about those topics again, but to emphasize the point that the superstructure is there, the framework is there, that the resources which you provide to us on behalf of the people of New Jersey can and will be adequately managed. And we convene to look at that deployment in terms of specific projects.

When we talk about deployment of these resources -- and comments have been made today -- we cannot talk about spending public money without also understanding the impact of economic stimulus and how that's going to play; not just in the sense of job training programs and apprenticeship opportunities, but how are we going to create overall employment opportunities in the state -- not just in the construction industry, but in all the collateral industries that are affected when any new dollars are injected into the construction industry in the state.

So I want to spend just a minute and give you some context of where we are with that. When we adopted our new capital plan in July of 2008, which incorporated the appropriation and authorization enacted in June, we projected that there would be about \$1.2 billion of projects, both construction and pre- and post-construction activity, that would have notice to proceed for construction prior to December of next year. So we're looking at about \$1.2 billion between the Summer and the end of next year -- December 31, '09.

At the same time that we're getting ready to deploy this money based upon planning estimates -- and it's a mantra, and I want to use Jersey City as an example to prove my remarks. We established planning estimates so that we could have some context to answer the question of: What will this money buy? How will this money be deployed? And we wanted to do that in a conservative way, again, to avoid the problem of three years ago by our predecessors, when there weren't forecasts and there wasn't this kind of capital planning.

So we also started out in design review process. And that's a process that's being conducted jointly -- by SDA, along with DOE, along with each SDA school district -- to review the long-range facilities plans, review the priorities that have been talked about, review the planning estimates we used, and change everything from assumptions to facts. And as we've begun to do this, we have some very exciting results. But some of the results require time. So that design review process initially reduced the number of projects that we expected to go forward within the 18-month timeframe of July of this year to December of next year. And that's because we are looking at the reality that some of the designs that we were looking at had first been based upon a long-range facility plan filed in or about the year 2000. It was already almost nine years old itself. Codes had changed, demographics had changed, district requirements had changed. And in an inartful phrase, I've said we wanted to make sure we weren't building stupid schools. We wanted to make sure we were building the right school for a community at that point in time. But that process took time.

Now, we also, through that process, realized that we could accelerate some projects. And projects that had longer lead times could be

accelerated prudently, because some of the assumptions we made were just wrong. We knew they were wrong. They were design assumptions. And one of them is the early childhood center here in Jersey City -- Number 14. When we looked at that, we originally had the earliest notice to proceed date being some time in 2011. For some reason, nobody called me. They were probably calling everybody else, because I would have expected a call from Dr. Epps saying, "Are you out of your mind?" (laughter) And had he called, I would have said, "No, these are planning estimates. We know they're wrong. When we have our meeting, we can figure out what's going to happen." And when we had those meetings, we realized that some of our assumptions about land acquisition, land cleanup, as well as design procurement could be sped up not because we're acting imprudently, just because the assumptions were wrong. So in fact, the notice to proceed to the architect went out last week. And we're now projecting a timeframe for the notice to proceed for construction to maybe occur late next year, early the following year. So, at the latest, it will be 2010, not 2011. It could be next year, 2009, maybe, but don't hold me or anybody to it. But that's the timeframe we're looking at. So we're seeing those opportunities.

We're also looking for opportunities to deploy other delivery mechanisms, something we've talked about since the work of the Governor's Task Force -- one of those being design-build schools. We have built a design-build school, historically, down in Neptune. We're working on one in Newark now, the Elliot Street School. We're looking to see how we can deploy that approach to speed up, again prudently, the delivery of schools, the design and construction of a school.

In doing that, while it sounds great, there are also certain countervailing realities. As an agency, we've only done two of them. It's a tried and true methodology, but we don't want to overextend ourselves and try to manage too many, too fast, too soon, because that will serve nobody's goal. There are also very legitimate concerns that the building industry has and the trades have about the deployment of a design-build strategy. In our conversations with them, we're confident they can all be resolved. But we need to continue those discussions to make sure that those legitimate concerns -- to make sure that the work is not just being, out of necessity, given to a small number of large firms -- is something that we can do and we're in the process of doing.

Long story made short: As we look at all of this adding, and subtracting, and acceleration, and deceleration, the fact of the matter is, we've identified an opportunity -- I'm just going to say it's an opportunity, not a commitment -- to, in fact, increase the obligation of funds from the \$1.2 billion we projected in July to possibly as much as \$1.4 billion. Those are all opportunities we're now evaluating using all the mechanisms I described. If I had to predict the reality, it would be something less than that, because we're not going to be able to achieve everything. But we've identified that universe, and we are committed to getting as much of this money out into the street, obligated, not just so children can be sitting behind desks -- so that -- but because the workforce in New Jersey, the parents of those children, can be put to work either in the construction industry or all the collateral agencies that support it.

I want to talk briefly about emergent projects. These go under the category of health and safety. We know, and we understand, and we

share the frustration of every superintendent, of every parent, of every child who says, "It's all well and good to say that maybe our school will be in this round, maybe our school will be in the next round, but the school that we're in is deteriorating today and money needs to be put aside for that." That wasn't done in the past. We set up a \$150 million reserve fund in our last capital plan. Approximately \$50 million of that has been earmarked for emergent projects that were identified over the course of the past six months. That money has been earmarked, and it's been put aside -- a new capital plan -- additional number -- tens of millions of dollars have been set aside for the future.

Based on a survey that was conducted by the Department of Education and the SDA, we identified 150 conditions in 100 schools in the SDA districts. Out of those 150-plus-or-minus projects, about a third of them were immediately delegated to districts, so that we essentially play the role of banker. Under a grant agreement, we provide the money to the districts. It's the most expeditious way to get that work done. A hundred of the projects were significant enough that we had to retain or deploy experts and take a look at roofing conditions, HVAC conditions, the like, to develop scopes of work. All that will be done during the course of this month. We've already started to meet with districts on the evaluations that we have in. Some of those will go out in the form of grants, some of them will go out -- or stay retained with us. We expect, when all is said and done, that at least half of the projects will be conducted directly by the districts themselves.

The Mayor, today, Dr. Epps, in the past -- I see that Dr. Hodges is here from Paterson-- I quote Jonathan Hodges, because he was

the one who started a conversation for me. And that has to do with what we now call Smart Growth Schools. We really call them vertical schools. And Dr. Hodges first raised it in a plea to say, “How are we, in any urban area in New Jersey, where we are achieving the kind of economic development that we hope to see -- be able to identify and pay for the type of land space that’s going to be needed for schools if we follow the same path?” That has led to the development of an initiative which we call Smart Growth Schools. It just builds off the Smart Growth land use policy of the State. And it says, “Why should every school that is built stand on its own individual campus, have its own individual infrastructure? Why can’t we think about integrating schools into the planning of a broader community, be it mixed use, be it residential, be it vertical, be it horizontal? And why not seek the contribution from other parts of the community -- others who are going to be using that infrastructure -- to help pay for the infrastructure, thereby lessening the cost -- reducing the cost of construction?”

As you know, part of the legislation that was enacted this year has us looking at cost-saving initiatives, and we’ll be reporting about that in December: on design elements, and standardizing those, and looking at supply agreements for all the different common elements that we put into schools. This is an important long-range initiative, one that should be on our collective agenda -- and I’m sure it will be, because there is simply no way to think of the long-term viability of a school construction program in the cities without thinking about this. This is something which I haven’t really met anybody who disagrees with-- And there may be some opportunity, certainly during the course of our ongoing discussions with

districts, if not to identify projects for this capital plan, to identify projects and opportunities for the next capital plan. But it's a very simple process of inviting in the economic development officials of a city, along with the school district officials of a city, overlaying one plan against the other and seeing where the lines cross. And where they cross, there's an opportunity for a Smart Growth School that will combine those initiatives.

I know that's already taking place in some districts. It's taking place in the City of Newark. That kind of analysis is clearly taking place here in Jersey City. I just want to make the point that everyone at the Department of Education and the SDA stand ready to assist any community who wants to begin thinking in that regard.

Let me say, before I conclude, that I've had the honor of sitting up here. I get to come before you and talk. The things I talk about are the work of hundreds of men and women, both in our program, as well as the Department of Education and elsewhere. I know you know Jerry Murphy, I know you know Regina Bleck, I know you know Andrew Yosha, Jane Kelly. This is the next line. They're the professionals who stand behind me and really make all this happen. So I want to both acknowledge them today and let you know that although I'm about to run out that door, they're staying behind with all the detail that the Committee may have--

Thank you very much.

SENATOR REDD: Commissioner (*sic*), thank you. And before you depart, we want to thank you once again for giving a very comprehensive overview of the grant program. I think it is an understatement to say your expertise, and your wealth of knowledge, and

your willingness to help districts across the state certainly is a benefit to all of us who are in elected positions seeking to help our constituency.

Several of the members of the Joint Committee have a few questions. If you don't mind entertaining those, I would appreciate it.

MR. WEINER: Sure. Absolutely.

SENATOR REDD: I want to start with Assemblyman Vas, who has a question. And that will be followed up by Senator Cunningham and then Senator Rice, in that order.

ASSEMBLYMAN VAS: Thank you, Madam Chair.

Mr. Weiner, first of all, let me also thank you for the thorough report and for providing us the logistical background to the work of the SDA. And I want to thank you, and Jerry Murphy, and the entire team for restoring confidence and integrity in the vital and necessary responsibility of building schools in New Jersey. Oftentimes it's easy to criticize the work of the former SCC, not understanding the challenges that you face out on the field every single day.

Having said that, my question really -- and I'm not so sure that you can directly answer, but perhaps you can get us an answer in the future. It has to do with the financing. And while the Legislature does its part to authorize, it is the administration's responsibility to implement. And with the amount of money that's been authorized, I'm curious whether -- first of all, whether the financial meltdown on Wall Street is going to have an adverse impact on the ability of governments -- State, county, and local governments -- to issue the necessary debt to get this money into the pipeline. And if not, can you give us an idea, since the money has been authorized -- since July 1 -- where the process is at today? And I

understand that it is really Treasury and the EDA that work closely together to get this debt structured and rolled out as you need it. But it would seem to me that if we're going to keep some continuum in school construction, there has to be a flow of revenue to you so that these projects can continue to progress.

MR. WEINER: You're absolutely correct. The real analytical answer your looking for would come best from Treasury. I can say this: There has been no indication that any of the financial marketplace issues, including the municipal fixed income market, which we would issue our debt into, would, in any way, inhibit the ability to get the money in the timeframe that's needed through the issuance for further debt.

How Treasury's managing that, what strategies they're deploying I will leave to them. But I can tell you that we have not been told, at least up until this morning, that there's any concern about accessing capital markets when needed.

Now, \$2.9 billion was provided to the SDA/Abbott program by this year's legislation; a billion dollars for regular operating districts throughout the state. We have, of course, the remnants, the remaining billion-plus -- almost \$2 billion -- of money from the original appropriation. And with the passage of the new bill, as I testified prior to its passage, that has given us the confidence that we could use our available resources -- the first appropriation for these projects, knowing that we have access to capital as needed to meet all our financial obligations.

So that's a very long answer to what should be a short answer, to say we have not been adversely affected. I don't anticipate we will be adversely affected. And nothing that's occurring in the capital markets, at

least as of now anyway, is going to impact the timing of our deployment of resources.

ASSEMBLYMAN VAS: Is there a plan to draw down against the authorization?

MR. WEINER: Yes.

ASSEMBLYMAN VAS: Can you give us an idea how much that is?

MR. WEINER: I can, but I'd rather, if I could-- I can't think of it off the top of my head. I'll submit it through the Chair, and I can let you know what our draw downs are and how we see them rolling out.

We were -- our staff in our office -- the CFO -- worked closely both with the EDA, which is the issuer, and most importantly with the Treasurer in planning that. And often, our capital market needs are combined with other agencies so that we're accessing in the most efficient way.

ASSEMBLYMAN VAS: As you know, I think that's going to be the determining factor as to whether or not you'll be able to continue at the pace that you want, understanding that there is a certain amount that can be done in the markets that exist today, both in terms of job markets as well as the financial markets.

MR. WEINER: Right.

ASSEMBLYMAN VAS: But there should be included in your overall plan some draw-down planning so that we know exactly how much money is going to be available at any given time.

MR. WEINER: I can certainly provide that.

But you raised another important point that I'd like to just expand upon if I might. And that is, when we talk about markets and the impact of the markets on our ability to do things, it's not just the capital markets. The fact of the matter is, if State government were to say -- if you all were to say, "You can have as much money as you need, as much money as you want. So you can have \$15 billion tomorrow. Build everything," the fact of the matter is, we couldn't. Not only couldn't we manage it, but the reality is, there aren't enough construction firms.

ASSEMBLYMAN VAS: So capacity.

MR. WEINER: Yes. And the reality is, while we're building up here in New Jersey, under the Governor's leadership, to take advantage of the deployment of these kinds of resources in roads, and tunnels, and bridges, and transportation projects -- the school construction projects, and others the Governor has talked about -- so too are other states. So it's also incumbent upon us to be smart about how we deploy it, to be smart so that we can attract the men, and women, and companies here, because this is going to be the place where they're going to want to work.

ASSEMBLYWOMAN VOSS: That's my follow-up question.

MR. WEINER: And that's--

ASSEMBLYMAN VAS: The follow-up question is: What is being done to recruit the workforce that's out there? Because there are a lot of people who are -- been affected already by the financial markets and are looking for new careers or perhaps are looking to get back into a career that they may have been in, in the past, and maybe left it because the markets had dried up. And I know in the past you had worked closely with the trades to do the recruitment, particularly in our urban communities where

these are very important jobs. If we can get people in the communities where these schools are being built to do work, I think it instills a greater sense of pride and community when the project is completed as well.

MR. WEINER: Absolutely. And with your permission, I'm going to defer to Jerry Murphy after I leave, not just because I'm leaving, but because this is an area that Jerry spends a lot of his time, and it's an area that he knows well and has led our work in this area. We're collaborating with the Department of Labor. And at our meeting in December, in addition to whatever Jerry reports today, we'll be in a position to talk about things not only that we're planning but that we're doing in order to make our program the attractive program for bidders and trades.

ASSEMBLYMAN VAS: Thank you.

SENATOR REDD: Thank you, Assemblyman.

Senator Cunningham.

SENATOR CUNNINGHAM: First of all, welcome to Jersey City.

MR. WEINER: Thank you.

SENATOR CUNNINGHAM: And actually, Assemblyman Vas touched on the question that I was going to ask. And perhaps you are not the correct person to ask it of, but I'll ask it anyway. Why not?

We've already touched on the fact that school construction is a wonderful way, in these times, to stimulate economic growth. It certainly can bring about jobs, especially in our urban areas, that are much needed. And I'm happy to see that some information was provided to us in terms of minority contractors, because I was concerned about that.

But one of the other issues that is taking place-- I have union people in my office almost every day. The problem is that minorities are not getting the jobs in the regular firms. These are union people. They've been apprenticed. They're journeymen, and they're ready to work -- journeymen and women. But they're not getting construction jobs. So is there any way that while we're going on with this -- especially in our urban areas -- that we're making sure that the construction companies are hiring minorities and putting them to work on these sites, other than the few that you -- other than the minority contractors themselves?

MR. WEINER: I believe yes. Now, we have some constraints -- not just us, but any public agency -- on some of the statistics we can keep, and report, and other things. But as I said in my remarks, we are not succeeding in the way that we want to in that area. And I think that there are going to be some formal initiatives that Jerry may want to talk about. And frankly, there are some informal initiatives. This is an important concern of the Governor, of the administration. We want to address it. Sometimes that's done formally, sometimes it's done informally. I don't mean anything nefarious about that. But I'm just pointing out we're putting a billion dollars a year -- round numbers -- on the street, maybe a little bit more under the stimulus acceleration. That has to impact the entire New Jersey community, in terms of employment opportunities. Period. Full stop. And how that's done can, again, be left to the creativity and deployment of the individuals who will be receiving it. We're looking at ways to make-- We are-- Under our statute, we are allowed to award contracts not just on price, but price and other factors. As soon as one goes beyond pure price into other factors -- while it's permissible as a matter of

law, the ability to administer it in a transparent way, in a way that builds confidence is much more challenging. That's something we've been spending a lot of time working on.

One of the things we're looking to do first in our evaluation is, as we evaluate contractors, we are building in their ability to meet their goals, create goals -- meet them, do outreach as part of our evaluation. Once we become confident in that, it may become a weighing factor in selection. And I'll defer to Jerry on expanding upon that.

SENATOR REDD: Senator Rice.

SENATOR RICE: Yes.

How are you doing?

MR. WEINER: I'm doing well, thank you.

SENATOR RICE: Let me--

MR. WEINER: So far.

SENATOR RICE: I guess the most difficult thing for me, working on this process from Day 1, is the fact that you'll be leaving, in your role at least. And my concern is: Who is going to fill your shoes? I mean, you've come a long way in a short time. You're knowledgeable, you're balanced, and you're honest about the commitment.

Having said that, we've had these conversations on minority participation. I've had my brain beat out by labor unions. I'm still around. It was just so rope-a-dope, you know. I got out of it. But I'm having the same problem, and we've had this discussion.

I can ride South Orange Avenue and see workers all over the place, steel all up, and one "laborer" who gets maybe a couple of hours a couple of days a week. I saw someone up on the steel recently, but I was

told that may have been a laborer too. And that continues to bother me, because the labor unions continue to tell you and tell us that we don't have enough minorities trained. Number one, the labor -- Ray Pacino (phonetic spelling) group, who is beating up on everybody -- that group doesn't need a lot of training to pick up two-by-fours and put them in the garbage, and that kind.

The other trades indicate that they don't have people, but yet I'm stopped on the streets, and folks are telling me that they're in the union, and they sit in the union halls six and seven months. And that concerns me, because it's my city. This is Senator Cunningham's city. And we can't ride down the street -- not knowing that residents from our city, or people who look like us, are not, in some way, on these jobs and they're sitting in the union halls.

So to say you don't have enough is one thing. To say you don't have enough, and we'll sitting in the union halls-- We should be the first ones out the door in these urban cities. They're not going to put us in Sussex County. We know that.

And so what I need you to do, Commissioner (*sic*), before you leave-- I need you to start immediately, and get back to the Joint Committee. I want a process to identify not just the numbers. We look at the reports, and then say, "Well, on this job site, the payroll said we had two minorities, one woman." And then we find that's a two-for-one sometimes, the way they do their papers. So actually you only have one.

But I want a breakdown of African-Americans on every school construction job, in every trade. I want a breakdown of Latinos, Asians,

and women. But the way we want it reported to us -- we want to know names.

I want you to start establishing your system, Jerry -- a database -- where we can talk to people if we have to. We want to be able to come in and say, "Well, Ms. Cunningham, how many days did you work?" "I only worked two days out of the whole year." We need to know that. Because I'm telling you, by not reporting that data, the GR (phonetic spelling) Corporation took us to court. We should have won, but we went in wrong. We could have said to -- we should have challenged their standing. They were never harmed. Then the court said for us to prove in New Jersey that affirmative action -- that we were not treated unfairly. Well, you don't have to prove it. Anybody can ride down the street, including that dumb judge that made the decision -- I hope that's on the record -- who made that. Because if he can't ride through our communities, and go in our corporations and see that there is not enough participation, then there's something wrong with him. And so we've got the burden.

And then I look at these numbers, and the numbers say that we spent \$55 million, almost \$56 million, which is 36 percent, to small business enterprise. When the GR Corporation knocked out small women and minority businesses, and said, "We're going to be classified according to the Governor as small businesses, so we're isolating ourselves from the primes. We've got this little carve out that we compete against," I argued that's not going to hurt -- help "black folks and Latinos." I don't know how else to put it. Okay? Every time I say minority, everybody gets confused. When I say black, they say I'm a racist. Let me be the racist. It isn't helping blacks, and Latinos, and women.

And the reason I said that is because, even with the small businesses at 55, small minority business enterprise got about \$2 million. Small minority women business enterprises, which is probably a mixture -- that's deceitful there, I think -- got about a million. And the reason I say it's deceitful is because they're small, minority, and women enterprises. So that tells me that the women may be a combination of black and Latino groups. So that's like a two-for-one. You know what I'm saying? (laughter) It may be the same person. That's my point. So those numbers are distorted statistically.

And so we need a system that is a better tracking system and can give us real data, data that we can actually justify and prove. And we can go to the labor unions and other people and say, "Look, what's the problem? Tell me why I have five guys sitting up in the union hall. I understand your system. I understand there's seniority." But we may have to go back and revisit project labor agreements. Because I argued with your project labor agreement that it was a bill the way it was written. Because it was not going to help. And I got on the floor and said black folks, then I said minority and women. Because I know they get confused sometimes. I want to (indiscernible) blacks, Latinos, and minorities.

But they had the "money," they had the votes, and they got it passed. And the proof of the pudding -- if you ride in our community, it is not benefiting us. They'll give a little money to nonprofits and say, "Look, here is how we'll do this. You're never going to get work. We'll (indiscernible) the apprentice program. And we know you can only train so many people at a period of time. And so that-- We tell people, 'We're doing good. We're training them.'"

Well, I'm talking about the ones who are trained. I'm talking about the ones who don't want to be a carpenter. They just want to go with a broom and clean the job site up. I want to know why every contractor doesn't have laborers attached to them.

And maybe I shouldn't be arguing this fight, since the laborers over in Newark are fighting me right now. But in the meantime, I've got brothers and sisters on the corner from the union telling me, "Hey, we aren't getting any work."

MR. WEINER: The numbers that you refer to, I think, are significant. And people are understanding -- not just because they show whatever investment and success they had, but through your commentary over the months, and your colleagues' commentary over the months -- people are beginning to understand that it's also significant because it shows what isn't being done.

And within all the constraints of how things can be reported or not reported under the judicial decisions-- December 3, I think, is the next time we're going to be gathering. We will come in and make that a particular focus. Because we also agree, Senator, with your point, which is just axiomatic. Things that are counted are the things that become important. And one of the things we need to be counting now is not just economic stimulus, because that's important; and not just the number of jobs created, because that's important; but to make sure that every member of the community gets an equal opportunity at those jobs. And that hasn't always been the case, despite everybody's best intents.

So we share the goal, we share the methodology. And we'll have much more to say in December.

SENATOR RICE: I'm going to ask, just for the record, Co-Chair, Dr. Voss--

The next meeting -- if I can get the Co-Chair to agree -- if not, I'll call my own meeting with the Legislative Black Caucus. I'd like the next meeting to be a public hearing. I want the labor organizations brought in, and community groups, mayors, councils, board of education members. We need to know exactly what they have in place to continue to kind of refine this, where there's equity in the process of participation. I cannot support the Governor's economic conversation -- I think it sounds good, I haven't seen any substance -- until I know what that means for folks. We can't argue the case about people losing their homes, so we're going to pump all this money into New Jersey Transit and the tunnel; all this money into school construction, which we stored -- we bonded and fought for -- future money -- \$3.9 billion -- only to find out that, "You saved my house. But I'm going to lose it anyway, because I don't have a job at the site." I mean, that's real stuff. And we don't think this way a lot in Trenton. We just move stuff without really being on the streets, knowing exactly what's going on.

I don't have a problem fighting the trades. I support the trades. My record is there. They continue to push back and try to paint the picture that we're anti-labor, because some of the people out here talk to us about what's happening in our cities and why there's no participation. The Governor's going to have to help us get that together. If we can do project labor, we can undo project labor -- get away from politics, and the checks they write, and the people they're appointing to do this.

And so I just need to have a process that we are comfortable with, that we can show to our colleagues in the Legislature, to know that across this state -- particularly when I fight for things like school construction money -- that we're not only going to build schools -- particularly in the urban areas for our kids to get a quality education, have a decent place to live -- but that their parents are going to benefit, getting them off welfare if they have a trade background, getting them off welfare if they have training. If they don't see this, then we're going to continue to lose our community while everybody else moves in. And let me say that again, because people don't like to hear it: while everybody else moves back in.

There are some of us that aren't going any place. We love diversity. We think it's our greatest asset and strength. But we want to participate. And I'll lead that fight continually by myself. I hope that this is a whole new Joint Committee and they start to understand how I'm thinking. Because my thinking is coming directly from some of the people in this room and those out in the streets, whether it's Jersey City, Camden. I drive, I know them. Black Issues Convention, NAACP-- Do you understand? And so that's going to become important -- there's a process in place that we can call upon, anytime we want information. I want to be able to say, "Well, I've got-- Let's call Scott." "Hey, Scott, we were told that you worked seven hours every day for the last two months." "Ron, that isn't true. I only got 14 hours." They'll tell us. But we don't know how to get to them. We don't have to call a person; we can have you verify. But the data is important. And it's public information, by the way, who's on those job sites when you get those worksheets.

MR. WEINER: We'll work with you on that.

SENATOR RICE: Okay.

SENATOR REDD: Thank you, Senator Rice.

MR. WEINER: Thank you.

SENATOR REDD: Assemblywoman Voss.

ASSEMBLYWOMAN VOSS: Thank you, Senator.

First of all, Scott, I want to commend you on the wonderful job you've been doing. And in your presentation, you alluded to some of the things that I wish we would bring forward.

First of all, I've been to some of the schools that were built during the Schools Construction Corporation and found that their designs certainly were not educationally sound. So one of the things that you mentioned in your presentation -- that economic developers of the community, as well as school officials, should get together. Because I think school buildings should be the focal point of every town and city. And I think that we underutilize our schools. And if we build them the way we should build them, literally they could be used 24 hours a day.

And one of the things that I want to address is the fact that -- I hope that we have something in motion that will bring some of these things to fruition. But the other thing is that when we build these schools -- and this is addressing what Senator Cunningham and Senator Rice said -- we are not incorporating into the schools' shops where we can teach kids carpentry, electrician -- so that they can come out of high school and be journeymen, be apprentices, so that they can get the good jobs. And we are phasing that out of our educational system. And I hope that when we develop school buildings -- new school buildings, we will have this.

Also, schools should be, as I said, used almost 24 hours a day. We need to have adult schools so that in the evenings, people who need to learn trades, who need to get job skills, who need to have computer training can come to the school after the school day is over.

We can also use the schools to be a community center where people can come to discuss issues other than political issues, but issues that are of concern to them,, in terms of their children's education.

We need to have recreation programs in the schools. And this will create jobs, because we will need security in the schools, we will need people to maintain the schools. So the school can literally be something that will be in use 24/7. This is financially the most frugal and prudent thing we can do for our residents, our taxpayers. And we can even think in terms of design. Like, for example, we need public libraries. We can construct those in conjunction with the school, not so that people will walk through the school while the school is in session, but to be an adjunct to the building. A community center -- a literal community center. We can have childcare services. We can do so much in the buildings if they are designed properly. And this has been something that I have been -- was championing for a long, long time. Because we spend so much on education, but we only use the buildings a small portion of the day. And this, I hope, will be included in the designs of the future.

And I hope that you-- I know I'm going on, but this is a passion for me. I'm a life-long educator, and this is so important to me -- that we prepare our children to go out and be able to get jobs, to have the skills that they need to be happy and productive citizens.

So I will stop my sermon at this point. But it's very, very important to me.

MR. WEINER: My response, on behalf of all of us, is amen.

In fact, you'll be happy to know that, I think, one of the little seen improvements that has occurred but has tremendous, tremendous long-term impact addresses the core of your concern. Now when the DOE and SDA get together with school districts, the important -- two important facts are: Number one, those meetings are taking place substantively, and in addition to just discussing budgets and the design of a school, so too is the program that goes on in the school. And the dots that are being connected now in a very effective way are within and without the Department of Education, so that the men and women who think about what goes on inside a school building, in terms of programs and education, are working not only with their colleagues inside the DOE, but also through them and directly with us. And that's part of the benefit of having design professionals on our staff who understand those issues and can talk that language.

The second thing is that every school that's built should be and will be, in whatever fashion the community wants, a community school. The idea of school media centers serving the broader community is important. It's not new. I was just in a meeting not long ago in Union City, where one of their schools is designed that way. And that's not the only one.

So what we bring to the table is to say to a community, "Think about this. This is no longer a demonstration. This is the way that schools should be built in New Jersey." But it's up to each community to both

think about what community aspects they want -- that they need in their community, and also try to figure out how they're going to pay for it. Because some of those community initiatives, or community aspects, will fall outside of the funding that we do. It doesn't mean it shouldn't be done. It doesn't mean we can't figure out how to provide for it. But now we have the forum of those district meetings that are just very exciting for me to see, because that's the kind of discussion that's taking place.

SENATOR REDD: Thank you, Assemblywoman.

And just to piggy-back off of the Assemblywoman's -- as she called it -- a *sermon*, because I was going to give you an amen.

If there's a way that we can, from the State level, work with the boards of education to make sure that the design features that the Assemblywoman mentioned -- that we start to get local officials to think outside of the box. What I find, in large part, is underexposure, even with some of the decision makers, of what can be. Thinking outside of the box for those community features--

MR. WEINER: We'll have a couple of ideas.

SENATOR REDD: --even incorporating health care. Because we know the health disparities that impact many of our communities across the state. I mean, there are so many things that can be done and within a reasonable cost-planning estimate. But if we don't have that dialogue or those individuals are not exposed to what can be, then again we limit -- to what the future holds for our young people. So to the extent you can help us to get the message across-- And I don't mind beating the drums down where I am. Definitely, I'm intimately involved in what's happening in my district. And we're going to redesign the schools so that they are

community schools and they are accessible to the community and families after hours.

So, again, we want to thank you, Commissioner, for your testimony, your presentation.

I believe there are additional follow-up questions for your staff that you're leaving behind.

MR. WEINER: They'll be here.

Again, I apologize for leaving. I'm sure we'll be talking before, but I will see you all in December, in Newark.

SENATOR REDD: Thank you so much.

I'm going to call up Mr. Jerry Murphy of the SDA and Mr. John Hart from DOE, in case there are additional questions from the members of the Joint Committee.

And then after those questions are entertained, we'll move into the public presentations.

Senator Rice.

SENATOR RICE: How are you doing, Jerry?

Jerry, you understand where I'm coming from, because I have a feeling that that's going to fall back on you and your staff to put that together. But that's not something I want us to play with. And we had meetings with labor unions in Newark before, going back to Spencer. I thought we had a relationship where they understood. I think some of the trades are doing well, so I don't want to tap all the trades as being bad guys. But there are one and two that play games with us, and they will tell us that a lot of the stuff is personal. And that's nice for them to say, but when you live in a city 24 hours, every place you go you talk to the people in that city.

So it's not one person or two people, there are several. And maybe we should find a way to -- location of all the union halls. And maybe we should be popping in and out of there. I'm going to visit the school construction sites. That's why I got the list. But I'm not going to announce when I'm going.

So I just want to make sure that you have a good, tight process of accountability for us.

G E R A L D T. M U R P H Y: Yes, Senator, we've had a number of discussions over the years about this. And I think probably if you look at any agency in the state, we probably have a better, tighter process than anybody, especially reporting wise, as indicated by the statistics you've gotten from us.

We have a Workforce and Contractor Compliance Division headed up by Jackie Jennings, who you know and have met with on a number of occasions. And we have inspectors -- our own inspectors. A lot of agencies depend on the Department of the Treasury to do those inspections, and they don't have anywhere near enough inspectors to go out across the state. While we don't have enough, we have sufficient that document every job, that go out and check not only the workforce, but also the contractors on the site, and make sure that the reports that we're getting back -- which are those certified payroll reports that indicate the name of the person, the Social Security number, so forth -- but only that they're a minority. And we are working on -- because you did ask at the recent meeting down in Camden -- about breaking it down by ethnicity. And we're working on that now to develop our database to give us that breakdown. But also we'll change our document to add another column so

we can break it down by ethnicity. Now, we won't be able to go back over the years and give you that breakdown. But going forward -- and I will let you know when that is complete with the database and the form.

But I can tell you, we do track the minority numbers. And it's important not to just see how many people are on the job, as you mentioned. It's really, how many hours are they working? If you understand construction, the work hours are what's important. And I can tell you that just for Jersey City -- to answer Senator Cunningham's -- there's 32 percent of work hours that were performed here that were minorities. I don't know whether they were African-American or Latino. But 32.1 percent of the total work hours -- which is over 300,000 work hours -- were by minorities on those projects that were done here in Jersey City.

SENATOR RICE: The problem I have with that, Jerry--

MR. MURPHY: Pardon?

SENATOR RICE: Let me tell you the problem I have. Let's put it in perspective. That's a lot of hours. But if it's only going to say Senator Cunningham, Senator Redd, and Ron Rice, we haven't proved anything. We just got more hours, making more money. And so we have to go across the board.

I would like for you to give me the numbers, the names, and everything else of every minority, what trade they work for since the Speedway project in Newark started. I go past there every day. If they give you a big number, I'm going to dispute it.

MR. MURPHY: Okay. I will get the number on that and get the report.

SENATOR RICE: Because if it's not, you need to look at those sheets to find out why not. But also I want to know if there are laborers on the jobs, because I know there is one lady -- and we brought it to their attention when I met with the union people -- and maybe another black guy.

The questions are the other laborers, because I can't identify them. And this data tells me, yes, I have laborers there, but it's not the folks who stop me on the streets, or we don't have them there. We need to find out what trades have labor. You have several trades down there. They're doing steel and everything. Which means, if you're going to clean the site, every trade should pick up some laborers.

I'm using them as examples, because that's the first line of work we can get, since the unions claim we have records -- like they don't have records in the other communities, and we don't have a quality education -- like some of them don't have a quality education.

So my point is, we can do that if we can't do anything else. That was our history. We were brought to this country to start that kind of work. We built this country on that kind of work, cleaning up behind folks. So the least we can do is share that now. And that's why I get angry.

You're a friend. I know you're doing a good job. But I want the public to know I'm angry about it, and I want my colleagues to know I'm angry about it. Because some of them are new. And I know because they're new to the Legislature, the unions are going to go feed them a bunch of BS -- not all of them. They may not buy into it, but they're going to feed it to them. And the same with those who aren't here.

But I want to look at those Speedway numbers, and I want you to be able to tell me, “Well, it was Mr. Rice, Mrs. So-and-so.” I’m going to say, “Fine. You get Mr. Rice on the phone, or tell Mr. Rice to come see me,” so I can document what they’re saying. Okay?

MR. MURPHY: Yes, Senator.

SENATOR RICE: I’ll talk to Mr. Rice’s family, too. “My husband hasn’t been to work. I don’t know what he’s telling you.” Because they’ll give them a lie too.

SENATOR CUNNINGHAM: You know, it’s important to get those numbers in Jersey City, as well. As I said, I have people in my office every day saying that they’re not getting jobs. So if we have that many hours for minorities, then I’d like to know who they are. Because every day people are in my office saying the same thing.

MR. MURPHY: Okay, Senator.

SENATOR CUNNINGHAM: Thank you.

SENATOR REDD: Any other questions or comments from members of the Committee? (no response)

If not, we’d like to thank you both for your responses to the questions.

And we’ll move into our public presentations at this time.

Thank you so much, Mr. Murphy and Mr. Hart.

MR. MURPHY: Thank you, Senator.

SENATOR RICE: Madam Chair.

SENATOR REDD: Yes, Senator Rice.

SENATOR RICE: While they’re leaving, let me say to my colleagues now, if you’ve never bumped heads before, understand that at

these kinds of meetings -- it gets back to labor. They're going to be angry. When they start marching against you now, hold your ground if you're right. I am not lying about that. They play politics. We're playing reality, they play politics.

SENATOR REDD: Thank you, Senator Rice.

We have, as I mentioned, a few public presentations today. And the first person that has signed up to come before this Committee is Ms. Irene Sterling, who is the President of the Paterson Education Fund.

I R E N E S T E R L I N G: Good morning.

Thank you.

I am joined today by several members of my community. Sitting here with me is--

SENATOR REDD: Ms. Sterling, if I could just interrupt you for a moment. If you will please make sure you use both mikes so that we can make sure that we have a proper recording of your testimony and presentation today.

Thank you so much.

MS. STERLING: Great. Thank you.

To my right is Council President Bill McKoy, former member of the Board of Education; our current President of the Board of Education, Jonathan Hodges; and behind me in the audience is one of our community organizers from our partner organization, the Statewide Education Organizing Committee, Fernando Martinez; and a parent and Member of the Paterson SEOC, Sandra Baez (phonetic spelling).

I have served twice as a citizen member of the long-range facilities planning process in Paterson. And while I am deeply grateful for

the work that we got done, I'm also deeply frustrated by the amount of work that we have ahead of us.

The Kindergarteners that began school this September will finish high school before our construction plans are done for all of the schools we need if we continue at the rate we have now. Eight years after we submitted the first plan, we have less than 25 percent of the seats that we need accomplished.

So we urge you to take a look at really two issues in terms of Paterson. One is the question of prioritizing. There are some districts who, in this round, will complete all of the schools we need. But it will be more than 2020 before all the schools in Paterson are done. And there is something wrong with the way we prioritize things if the students of Paterson have to wait so long.

And then there's that rate of how these buildings are being put into place, because it will take so long if we keep up at this rate. So our kids are going to have to compete with kids in other districts who got the resources that they need. They're even going to have to compete with kids in our own district, because we now have an incredible disparity between what's available to our students in these new facilities. And I extend an invitation to you to come to our new International High School and see the fabulous resources that they have there. A child at International High School can take any science that they want to and have fabulous lab experiences. Our two comprehensive high schools, which serve more than 5,000 kids, do not have the capacity to do that.

So we would want to work with you in any way that we can to help people understand the gravity of the situation and to begin to move

the priorities in some other directions so that our kids sooner become equipped to meet the 21st century.

I would now like to turn the mike over to my colleagues.

JONATHAN HODGES, M.D.: I hope you can hear me.

I'm Dr. Jonathan Hodges. I'm current President of the Paterson Board of Education.

I want to say that Paterson is extremely grateful for the two schools that have been built under the Abbott construction program. In my lifetime, some 53 years, there have been six schools built in Paterson, two under the Abbott construction program. The last non-Abbott building was built 20 years ago.

So today, I am here -- and this may come as a shock to some of the people in the State Department of Education and to the SDA -- to really thank you. Because those two buildings have made an impact -- not the impact that we need, but it has, in fact, made an impact.

And so what I'm really here to do today is to offer some long-term suggestions. Number one, there should be an ombudsman working in the DCA. And this is someone who can mitigate disputes between code enforcement and design implementation. This will significantly cut the delay in the approval of construction projects and consequently save tens of thousands of dollars. There's a figure that they work through -- every month of delay is worth several thousand dollars. I don't have the-- I think it's \$10,000 -- \$10,000 to \$20,000.

Well, plans sit on the DCA's desk for months. In Paterson, we've had two cases that were six to eight months -- plan disagreements regarding School 24's parking lot. That's thousands of dollars. So an

ombudsman who works full-time at the DCA, who mitigates these disputes, would work wonders in terms of saving taxpayers money. That's number one.

Number two, as Mr. Weiner remarked earlier, mixed-use construction. And this is where you join with private concerns to build a building with -- not with -- you commingle the funds, and you put a school on one floor, and there would be housing on another floor, or retail concern on another floor. And this would mitigate the impact on ratables in a town, and at the same time provide us some options for land that we currently don't have in large urban centers. This requires legislation. But it would impact significantly on urban centers' ability to build schools or to find sites for schools.

Lastly, I'm appealing for flexibility. The reason that the State Department of Education doesn't currently run every single school is because there is a need for local entities to input parochial understandings and parochial needs, which wouldn't be understood and perceived in the lofty halls of Trenton. We cherish that input. Consequently, the DOE and the SDA need to have the willingness and the ability to reconsider projects in the face of input from the local communities that tell them, "You know, when we made this priority, when this priority was established years ago -- because this is years now -- things have changed." There have been-- In our particular town, we've had a series of projects which had a large population. It's been torn down -- they're gone now, while we waited for those schools to open. Now we have a project that's-- We have four projects that are within two square miles of each other. And while they may significantly impact those four buildings, the other half of our town is struggling,

bursting at the seams. And we've requested that you simply not give us more money-- We will sacrifice one of our schools for \$79 million. We can build three schools. We can build two elementary schools and purchase a high school, which is our top priority. But the DCA, under the current regulations, can't permit that.

Now, we own the land on those two schools that we would be able to build. We own the land. And the one school that we would get, we don't own the land there. So we have to buy out the land, compromise the city's ratables and, at the same time, get one building when we can, in fact, get two elementary schools and one high school.

Now that, to us, makes sense. Because not only that, we could give money back to the taxpayer, because we would use the same designs for the two elementary buildings, designs that already exist.

From our point of view, this makes sense. This is reasonable. It would enable us to build schools where we need them, in a timely fashion, and save the state taxpayer dollars. But we are told that we can't do that. We think that's wrong. Because as you well know, we don't know when the next funding round is going to occur. There have been delays, and delays, and delays. And we've had, again, only two schools built in the 10 years.

So we think that opting out of the current DOE priority system and saying, "This is what Paterson understands we need," looking at it locally, would help us immensely. So that kind of flexibility -- insightful, reasonable, and at the same time cost saving -- would be -- should be built into the DOE's charter -- into the SDA's charter. We don't think it's currently there.

SENATOR RICE: Senator.

SENATOR REDD: Senator Rice.

SENATOR RICE: How are you doing, Doc?

DR. HODGES: How are you?

SENATOR RICE: Okay.

A couple of things: First of all, Assemblywoman Elease Evans has been working very hard since she's been in Trenton, holding her own down, even against political opposition within our own party, to be quite frank.

DR. HODGES: I understand that.

SENATOR RICE: There are differences. Okay? I mean, if we're going to come to a public meeting, let's be real about what's happening. Who is really representing and who is not? And we owe her a meeting. We have promised her a meeting of the Joint Committee in Paterson, going way back. And I'm going to ask staff -- and once again -- and hopefully get my colleague's, my Co-Chair's, sanction that the next meeting we hold we'll hold in Paterson. We need to do that right away. And hopefully at that meeting, that can be a meeting directed particularly about the issues impacting Paterson, period. Okay? And so anyone can participate, in terms of listening and hearing. But I think when you--

There are a lot of things happening. And one of the problems with members is that Paterson has been undergoing changes as a takeover district, like Newark and Jersey City. The difference is that Newark and Jersey City have been moving forward, in terms of moving out. And just when we thought, looking at the numbers and working with the former Commissioner of DOE, that Paterson would be pretty much level with

Jersey City and Newark, moving out, we wound up taking steps back. Number one, to be quite frank, given the politics of State and local government--

DR. HODGES: That's right.

SENATOR RICE: And then we went through a transition of who the superintendent was going to be. And then we went through, believe it or not, a transition of ethnic differences. I hate to say it that way, but that's just what it was. But it's one city. So we need to go up there and listen.

I also want to suggest that the DCA piece -- the Department of Community Affairs. You need to get that to us in writing right away. In fact, I'm the Chairman of Community Affairs, and Senator Redd sits on that Committee. I need to know what the holdup is -- whether it's about a holdup -- or the politics of phone calls going to the Governor's Office saying, "Slow this down, don't do this yet, don't do that." Because publicly, to be quite frank, we get all of that. Let someone break it up. And I have no problem breaking up anything in Trenton. I think most people know that. If they are wrong, they're wrong. If they're right, they're right. I'll support them. But don't justify to me, as Chair and Senator -- Chair of Community Affairs. So that piece needs to come right away.

The concept of saving taxpayers dollars-- That needs to be put in writing. But keep it in simple -- not Ph.D. or medical language. (laughter) Keep it in simple language so that when we look at it -- because if it makes sense, then the question becomes, why would we not want to save taxpayers dollars? That's been the human cry. We just want the schools. We want quality schools, and we want schools that make sense.

Thank you, Madam Chair.

DR. HODGES: Thank you.

SENATOR REDD: Thank you, Senator Rice.

Senator Cunningham.

SENATOR CUNNINGHAM: Actually, leave it to Ron to have said everything. (laughter)

Basically, I wanted to-- I was just going to ask you to do as he said, to put all of this in writing.

DR. HODGES: Not a problem.

SENATOR CUNNINGHAM: I think some of the things that you said make sense. Certainly when you talk about building multiuse schools, which is very similar to what Assemblywoman Voss just spoke about.

I have to say, I grew up in Paterson for a short time. I think it was School Number 8 was the grammar school. And my cousin sits on the Board of Education with you.

DR. HODGES: Yes, she does.

SENATOR CUNNINGHAM: Everybody knows Willa Mae Taylor.

So I've heard a lot about these issues for a long time. Paterson has been through so much, and it doesn't make sense that we're subjecting those kids to this repeatedly. So I think you should get-- It doesn't make sense at all, if you come and say that you can save money that can go back to taxpayers, that there's even an argument. So I do agree with Ron to put it in writing. And we will try to stand with Assemblywoman Evans.

SENATOR REDD: Thank you, Senator Cunningham.

Senator Ruiz.

SENATOR RUIZ: Thank you, doctor, for your testimony. I think it's something that can be echoed probably in many of our school districts. And the thing that's ringing out the most is the fact that there has to be greater discussion with the local schools. And they have to be frank and open discussions. If we can, we can, and if we can't, we can't. I don't think anyone's questioning the expertise of anyone on any level of government, from the authority down to the local district.

But the local district, at the end of the day, is the one who will be responsible.

DR. HODGES: That's right.

SENATOR RUIZ: And so there has to be greater discussion.

I know in the City of Newark, when we're looking at the projects that are in the hopper, moving forward, some of the projects that have been selected will have to be visited, Senator Rice, because they may not be the ones of most urgency. And so at least that discussion has to be had. Because from the City of Newark's perspective -- and I'll speak only from my radius and the knowledge that I have -- the State was responsible for the debacle that occurred. And so now we're wiping that, and we're starting with a new slate. So moving forward, let's look at what can work and what should work.

So I think it's critically important that when we sit back with Scott -- is to say, "What are we hearing from the local school district, and what are their needs? How can we meet them, if we can? And how can we make sure that greater resource and accountability is had?"

Everyone wants the best in all of our school facilities. But everything requires money. And let's keep it real and simple. There is none -- there is none. How are we going to stretch these dollars to ensure that we're building what we need in the quickest way? Otherwise, it's going to go back to square one, before I joined the Legislature.

So any way that we can accomplish that through our Chairman and our Chairwoman who is hosting this Committee-- I mean, those are the things that have to-- I want to start seeing projects, deadlines. That's what I need to see. We're looking for a lot of things. I want the name of the school, I want when the shovel is going in the ground, and when the project is going to be completed.

SENATOR REDD: Thank you, Senator Ruiz.

And what is this?

MS. STERLING: This is a CD that we produced in June last year, when we weren't sure that the Legislature was going to pass the bill. And it is a tour by a parent and a child at School 2 and a parent and a child at School 16 to show you what the child does every day in the school and what the facilities are like there. I'd recommend-- It's very short. It's about 20 minutes. I'd ask you to pay attention to the tour of School 2, because School 2 is not on the construction list, it's not on our priority list. It's way down the -- when we'll get to it. But when you look at the conditions under which the kids are going to school, it's wrong. So we feel an urgency about having people understand the conditions under which kids are trying their darndest to get the education they need.

DR. HODGES: Our School 14 would fit into this building rather nicely. And we'd be thankful for the additional space.

But I came here to thank you, not to complain. (laughter)
Thank you very much.

SENATOR CUNNINGHAM: Who is the new Superintendent now? Do you have a Superintendent?

COUNCILMAN WILLIAM C. MCKOY: We have an interim.

I'm the Council person.

We have an interim superintendent, Dr. Clancy, who was our previous interim during the process between Dr. DeRoy (phonetic spelling) and Dr. Glascoe. And, quite frankly, that is part of our problem. You plant something -- I'm a country boy in some sense, even though I grew up in the city -- you dig it up every often and check to see the roots. Well, you're setting yourself back and really retarding our growth. So the number of superintendents that we've had in the last--

SENATOR CUNNINGHAM: You're just repeating, and repeating, and repeating.

COUNCILMAN MCKOY: Right. And everybody comes in, they change the priorities, change the focus, and we are left behind.

I'm really here as a Council person, former Board president. And on our municipal council, we have at least three members that have previously served on the Board of Education. So I'm here to really lend my support to say that city government, at the council level and mayor -- Joey Torres -- are willing, certainly, to work with the school district in terms of getting the things that they need. And the issue of prioritizing our needs, based on our current situation and circumstance, is critical. Plans that were laid out five, eight years ago, certainly don't address the emergent needs

that we have now. And we really look forward to the Legislature giving us that flexibility to maneuver those dollars and to shift those priorities where we can get the biggest bang for our dollars. And that would really help us, because as we've indicated, the funding for tomorrow is less than sure. And if we're not able to impact our young people today, you're conceding to loss going forward for a very, very long time.

I really want to thank you for this opportunity. And we look forward to you coming to Paterson.

SENATOR REDD: Thank you, Councilman McKoy, Dr. Hodges, and Ms. Sterling for your testimony. And we look forward to coming to Paterson to continue this dialogue.

Thank you very much.

Our next public presenters happen to come from the Learning Community Charter School: Susan Grierson, Principal; and Shelley Skinner, Development Director and Parent Liaison. And we'll also hear from Debra Wachspres--

D E B R A W A C H S P R E S S: Wachspres. (indicating pronunciation)

SENATOR REDD: Director of Programs and Communications for the Charter Public Schools Association.

We need you to use both mikes, left and right.

Thank you.

MS. WACHSPRESS: Good afternoon.

I greatly appreciate the opportunity to speak before your Committee today on charter public schools.

Before I introduce our two guests from Learning Community Charter School, I'd like to just say one thing to open up, which is that charter schools are public schools. And I know you all know that. But I'm just saying that in light of what they tell you in Marketing 101, which is: Sometimes you have to say the same thing over, and over, and over again until people actually believe it. So I just wanted to say again today that our children that are in this school in Jersey City are just as public as the children who attend PS 20 here every day.

So in light of that, I would like to introduce the Principal of Learning Community Charter School, Susan Grierson, who has been Principal of the school for the past eight years. And next to her is Shelley Skinner, who serves as Development Director for Learning Community Charter School.

S U S A N G R I E R S O N: Good afternoon, everybody. Thank you so much for this opportunity.

I'm Susan Grierson, the Principal at Learning Community Charter School. We are one of the first cohorts of charter schools in New Jersey. And we're very proud of our success.

Learning Community opened its doors in 1997, with about 97 Kindergarten through second graders in a converted coal transfer station. Each year we added a grade per year, always struggling on how to figure out where we were going to build the next set of classrooms. Currently, we have 324 students in grades K-8, with a waiting list that exceeds enrollment. Despite all odds, we are very proud to have created a community of learners without many of the standard features of a school. We do not have an auditorium or performance space, despite being a school that's arts-based.

Desks are moved to one side of a classroom so 18 students can learn the steps to a dance. Our classrooms service our after-school program also. The rooms are occupied until 6:00 p.m. each day. We do not have a space where our school community can come together for a performance or meeting. We don't have a cafeteria. Students eat in their classrooms, which creates a lot of wear and tear in the rooms. We don't have a conference room or meeting space. I give up my office for staff development meetings, or teachers work in the hallway. A reading specialist works at the end of a drafty hallway with some of our neediest kids. And an occupational therapist works in the hallway as well. The few offices that we do have double as rooms for small group instruction. Our nurses office is in a closet without a sink. We do not have a library to showcase the latest literature. We don't have a closet to store paper goods, materials, or books. Students coats and backpacks line the narrow hallways. Our guidance counselor's office is really the only space that's not shared. It's the only room that allows for privacy. We operate classrooms in five trailers, which we lease. And we have classrooms in old coal bays. Our seventh and eight grade students must go outdoors to change classes, which is not so wonderful in the Winter. They have to keep their jackets with them. On inclement weather days, our Kindergarten through fourth grade students can be found sprawled out on the floor playing games in one room for indoor recess. For the last 10 years, we've held science classrooms in rooms without a sink. We share this space with the Boys and Girls Club. Our rooms are jointly used by their program for after school. We've had to put so much money into our facility to make it safe. We have installed

fences, gates, locks, phones, all on a meager budget. It's unreasonable and unfair for us to have to continue to do this.

Charter school law required us to think outside the box, to do more with less, and to be innovative. And we have done all of that, and we are really very, very proud of our continued success. Our standards-based curriculum is really second to none. And I urge you all to visit us to see how creative we've been with teaching, learning, and space. But it's unfair for a school, with a proven track record of success such as ours, not to be helped to expand and work in a facility that is adequate. Each year we distribute a parent survey, and each and every year, the facility is ranked the lowest. And honestly, after such a long time, and such a struggle to create a wonderful school that has continuously done well on standardized tests, parents' surveys, and our enrollment -- we are just busting at the seams.

So I really urge all of you to consider our plight as well.

SHELLEY SKINNER: Hi, my name is Shelley Skinner, and I'm the Director of Development at the Learning Community Charter School. I'm also a Trustee on the Board of the New Jersey Charter School Association. So my testimony sort of wears both hats.

As many of you know, for several years -- it's certainly not the first time you're going to hear it -- that we in the charter school community have had a lot of frustration over the issue of our funding. Even with the new funding formula, public charter schools here in Jersey City are only still receiving 60 cents on the dollar to what students here or down the street from us at PS 3 are receiving. What many people in the community don't

realize is that 60 cents on the dollar also has to cover our rent or our mortgage payment, depending on which school you're talking about.

When I hear that the Governor is appropriating a large chunk of money to upgrade facilities all over the state, I mean, I think I'd be lying to say that that's -- we're very, very happy for all the kids who are allowed to have the benefit of a new facility. But if you look at a place like Jersey City, you have 3,000 students who are in charter schools. Seventy percent of those students qualify for the Federal free and reduced lunch programs. So I find it hard to really understand why some of the at-risk kids are eligible for that funding and so many are not.

In the case of a program like ours, which has been highly successful-- We have such an amazing demand. The program is very popular because of the test scores, because of the community that the school has created. We cannot meet the overwhelming demand for that program -- for our school. And it's heartbreaking. There are hundreds of families out there who would like the opportunity to have the education that we're providing at Learning Community. And it is wrong that we cannot get any assistance whatsoever from the State, even creatively, whether it's loan pools or it's State-funded grants. There are a number of different means that other states use to facilitate helping charter schools overcome their challenges with facilities. I mean, California, and New York, Texas-- I mean, the list goes on. And in this way, our state is really lagging behind. So I would urge all of you to consider the ways in which the Legislature can work with the charter school community on behalf of the 10,000 kids who are still on the waiting lists in New Jersey to get in a charter school -- how we can overcome this disparity.

Thanks.

SENATOR REDD: Thank you, Ms. Skinner.

MS. WACHSPRESS: If I may, I'd just would like to say a few words as well.

For those of us who listened to the presidential debate -- the last presidential debate last week, it's very interesting to me, watching it -- how the last question was a question to Barack Obama and John McCain about -- on education policy -- "What are we going to do as a nation? What are you going to do as our next president -- one of you will be our next president -- to really, really get serious about the education needs in our country?" And what was wonderful for me, based on where I am right now, today, in my life -- to hear them talk about charter schools. They could have talked about anything, but they talked about charter schools -- both of them. McCain, of course, supports vouchers, which we as a movement do not. But I think both talked about charter schools being the most promising, R&D facility going on in the nation for learning about how we can improve public education.

They're here to stay. Forty states have charter school laws. New Jersey's law is 11 years old now. We have 62 schools. Six new schools were just approved. We know that statistics show that in New Jersey the track record has been that half of all schools that have gotten DOE Commissioner approval have never opened their doors. And that is because when you talk to them, the facility monster has not allowed them to start their facilities, to open their schools, because of how oppressive it is to fund it.

So as Shelley just said, first of all, charter schools -- the money does not follow the child in this state. The charter school law said 90 percent per child. Our kids are not even getting that. They're getting, on average, 70 percent. Here in Hudson County, they're getting between 62 and 77 percent at the high. And zero of that money is for facilities. There is zero money for facilities.

New Jersey is losing out on a lot of Federal money because they're not providing a match, either in per-pupil funding or in loan guarantees. And that's money that we were sitting on, waiting to come here, and we're not tapping it. I would just urge all of you, as leaders of our State, to figure out a way to tap that money for New Jersey.

And I would just conclude by saying that many of you have shown friendliness toward charter schools, and we greatly appreciate that. Shortly, you'll be receiving letters from your charter schools in your districts inviting you to come in and teach a civics lesson or to the holiday party. Please do that. We can talk until we're blue in the face, but there's nothing like walking into the school.

And, Senator Redd, I'll just tell you, I went into ECO Charter School last week with Antoinette Dendtler. She is so beyond impressive that to be in her presence was an honor. And she almost didn't open her school because in July of 2004, two months before she was set to open, she lost -- the landlord came to her and said, "I don't want to rent to you." He had his own reasons. She scrambled over a nine week period to open her doors and found two spaces to do it, because she's that kind of person. Nothing was going to get in her way.

But when you talk to charter schools, their biggest obstacle to success, and to not having to be property managers, and to focus on the kids and not the building, is the zero money coming for their facility. So they beg of you, "Please give us something to help us succeed." These schools are closing the achievement gap, and some of them have really stellar results. So let's find ways to support them to allow them to really do their jobs.

Thank you for the time.

SENATOR REDD: Thank you, Debra.

I believe we have questions coming from members of the Committee.

Let's start with Senator Cunningham, followed by Senator Rice.

SENATOR CUNNINGHAM: I just wanted to take the opportunity, for those who are not familiar with this charter school -- they have an excellent reputation. And I know for a fact -- I've been down -- well, I went outside to a fair or something that you had, and I've talked to the Boys Club. I know about your space limitations there.

Would you just explain, because I think some of us are still a little unclear, in the last School Funding Formula you were supposed to be getting 90 percent. Is that right?

MS. SKINNER: It was our understanding that we would finally be funded at 90 percent. In a situation like Jersey City, where there are a number of different, sort of, economic anomalies, as you know, it may be a little bit different from other cities -- I mean, we are still at 60 percent. We are not beneficiaries in any way, shape, or form from the Funding

Formula. It's wonderful that some were. We were not. And, again, some of this is due to some local issues.

SENATOR CUNNINGHAM: Some what issues?

MS. SKINNER: Some of the local economic issues here regarding property taxes.

SENATOR CUNNINGHAM: All right.

MS. SKINNER: You know this just as well as I do. And, in fact, I think in some ways -- Susan will tell you -- we were actually punished in some ways by not being able to get extra money when we added students. We were not held harmless in that way until very, very recently, when the Legislature at least held us harmless with \$2 million. So, again, we were not -- we didn't benefit from that.

SENATOR REDD: Senator Rice.

SENATOR RICE: Thank you.

I have to go through this conversation all the time. First of all, I am not anti-charter school, contrary to what some of the members of your organization want people to think. I'm pro-education. But I'm also pro-public schools, the way we know public schools, and the way it was established in this country for a lot of reasons.

And it's nice to say that charter schools are public schools. Charter schools are quasi-public and quasi-business, with public school dollars. And it serves a purpose. When we got into the fights years ago -- they weren't really fights -- when the Catholic schools wanted the State to provide dollars to them, I was at those meetings. We couldn't do it.

Charter schools started in Milwaukee by an African-American woman who really wanted to say, "Well, let me kind of, more or less -- let

me experiment over here on my own and see if I can do something different that works. And if it works, we'll move it into the system, as we know the system."

The voucher people who started back in the 1950s couldn't get to first base in the United States. They heard about charter. They looked at charter -- John Walton and all of them. You know, Milton Friedman -- just died. And they decided to kind of get behind charter, because it was a good front to take the buzz word for voucher and choice, and argue the case. And I can appreciate charter.

My argument at the State level is that we have charter schools. Those that work, we should support. I've got legislation that says there should be a moratorium. The State gives out applications like they're water. It's the same thing they do with mental health facilities. They just give them out. You don't have any place to go. They don't check to see if there's funding in place. And all of a sudden you wind up with 50 kids signed up, because of the marketing -- the 101 you talk about -- and all of a sudden, in September, Dr. Epps has to figure out where to put these kids, because they never got opened.

There are those who are truly committed to education, but they want to do it in their own, independent way. That's why they start charter schools. And there are those who think they can get money -- make money. I know that, because they come through me all the time in Newark. Okay? I always said that if a charter school is working -- and I'm aware of yours, and yours is productive. I'm aware of North Star and Robert Treat over in Newark. They work. I said, if we're going to do additional -- because it's

still an experiment -- schools, then they should have the first opportunity to grow the next school so we can watch it.

Everybody says, "We're regulated the same way in charter schools." That's not true. You're regulated in terms of certain kinds of things, but there's another side of independence that public schools don't have.

So what am I really saying? What I'm saying is that I have a question about your dollars. But what I am saying is that I'm going to support-- See, we have to be right on the record. Others may-- I'm not going to support school construction taxpayer dollars to build facilities for people -- some with good intentions, some with not -- who come in and take a building, and say, "I'm going to get some money, and fix it up, and let the taxpayers pay for it." The whole idea of voucher was privatization of public education to stop integration of schools back in the '50s, *Brown vs. Board*.

And so the idea is that, if I'm going to spend money to fix up a location, I'm going to spend the money to fix up School Number 20. We don't have those other dollars. And so I support anything someone wants to do to certainly educate the kids.

I think parents have a better argument-- And one lady stopped me the other day and said, "Well, you know, I pay property taxes, but I do home education for my kid." Well, maybe they want to get together and say, "We deserve a building. They're our tax dollars." And that's the thin line.

Now, with that being said, that answers the facility concerns as it relates to my vote, my support. When it comes to your operational dollars, I've always said, number one -- when you started charters in the

state -- that we should find a separate pot of money. We didn't do that, and that's fine. But the formula is 90 percent.

Now, I need clarity -- you can do it publicly or send it to us through the Chair -- on this 60 percent. Because we had this problem about three or four years ago. There were only about three or four schools hung up because of some (indiscernible) in the State. And I think Robert Treat was one. I think they were getting 85 or something. I think Gray was one. And it should have been 90. And we got with the State, and they told us what the (indiscernible) was. And in some kind of way they got that stuff straightened out. But I never saw a number like 60 below the 90. But you said it has something to do with the local piece. And it may be something--

MS. SKINNER: Jersey City--

SENATOR RICE: Hang on a moment, because it may be something you may not want to discuss on the record now. So if you want to give it to us in writing so that we can go back and look at this-- Because I'm concerned that you exist. You've been in existence. You're doing the work you're doing. And what we are saying you should be receiving, you're not receiving. I need to know why. If there's a valid reason for you not being the recipient of that level of funding, then there's nothing we're going to be able to do about it, whether people jump, throw bricks, vote us out -- try to, anyway. Or if it's something that you should, then we should be adamant about finding out when those dollars are coming. If there's a quirk in our legislation where they have this window out, we may have to close that window.

So I just want to be on the record. Because I heard the same conversation in terms of charter schools in Camden. I hear it throughout

the state. I'm starting to call myself an *authority* on this stuff and vouchers. And I just want people to be clear of the history of this. Because people are coming -- Marketing 101 -- and saying, "This is a very wonderful thing for our baby." But that's apple pie and motherhood. But go back and look at the genesis, look at the history, and find out what's really taking place, what's the real intent of the movement behind some of this stuff -- and that's the demise of public education as we know it. And we just can't do that with taxpayer dollars.

SENATOR CUNNINGHAM: Is the Learning Community Center the only charter school in Jersey City that's at 60 percent?

MS. SKINNER: No. I would say that's-- I think the only schools that have slightly more funding are the charter high schools.

SENATOR CUNNINGHAM: Okay, the high schools.

MS. WACHSPRESS: I actually have the numbers here. In Hudson County, they're anywhere from 62 percent to 77 percent, compared to the district schools.

SENATOR CUNNINGHAM: Okay.

SENATOR REDD: As Senator Rice has suggested, if you would follow-up in writing, through the Chair, we'll make sure that information is disseminated among our members so that we can continue the dialogue concerning the funding.

Assemblywoman Jasey.

ASSEMBLYWOMAN JASEY: Just a couple of comments: First of all, just for the public record, how are students selected for your school?

MS. GRIERSON: Students are selected through a lottery. Say a family moves and we have an extra seat in, say, fifth grade -- it's a lottery. We have a lottery every January, as State law dictates. That's how we get the incoming students for Kindergarten. But any parent who applies for any other grade, it's the same process: pull the names out of a hat, rank order them. As a seat becomes unoccupied, we call right off the wait list. So it's purely lottery.

ASSEMBLYWOMAN JASEY: And who are your teachers?

MS. GRIERSON: Our teachers-- First of all, the teachers at Learning Community are NJEA members. Our school is unionized. And our teachers are all certified, highly qualified.

I wanted to, Senator Rice, say that our school, like any public school, must adhere to the same State standards. Our kids take the same tests. We are highly regulated. We do all of the same reports to the county office, to the Department, like any other school district. The difference is, we're not funded, so I do a lot of that myself.

The beauty is that the standards, say, for literacy are very broad. All children must read by Grade 3. So each school district and, probably, even here in Jersey City, each individual school meets the needs of their school community in the best way that they see fit. And we do the same thing. I mean, whether it's Learning Community or a PS -- you know, give us a number -- we're really all about doing the same thing. Our students are about 30 percent free or reduced lunch. So we adhere to those same State standards and take them very seriously.

ASSEMBLYWOMAN JASEY: And just two comments, because some of my questions have already been asked. I think we can

safely assume that in addition to wanting -- asking for your fair share, facilities -- the facility is your greatest issue beyond the funding. And I'd like to know more about the Federal money that you mentioned that could be used as a match. And in light of the time, could you send us that information to look at?

And the last piece is -- I said this before publicly -- one of my concerns, in terms of the charter school movement here in New Jersey -- I can't speak to other places -- is that my understanding was that it was supposed to be, as someone mentioned, an R&D situation and that our non-charter public schools would possibly-- There was supposed to be conversation between the charter movement and the non-charter schools so that strategies could be shared. And if something is working in one area that could benefit the children in that community, we should be sharing that information. And to my knowledge, that is one piece that has not happened. Am I correct?

MS. GRIERSON: Largely, yes.

ASSEMBLYWOMAN JASEY: Okay. And so one of the things I would be looking for is better ways to communicate or to get communication going between -- among all of our public schools. Because charter schools are public schools. And I'd like to see a better articulation of sharing information so that all of our schools could improve going forward, and not see it as an us-versus-them situation.

And I look forward to visiting your school.

MS. WACHSPRESS: Assemblywoman Jasey, I could not agree more with you about this. In fact, the reason I took this job -- my first question -- my question continues to be: What effect has the existence of

charter schools in this state had on traditional schools? What are we seeing? We know that there are lots of anecdotal stories, and someone needs to write this book. There are many, many effects that charter schools have had on district schools in this state and in the 40 other states in the country that have them. We need to get up to another level where it's not just anecdotal stories that aren't documented, but where we're actually quantifying this.

Because I had, again, a conversation with Antoinette Dendler from ECO the other day. And she said she approached a district school, and respected the hierarchy there, and went to the superintendent, and the principal, and wanted to have a professional partnership with the school -- approached them as, "I can learn from you, and maybe there's something you can learn from me on the same footing." And the door, quite frankly, was closed on her for various political reasons. That really made me very sad. It was very disappointing. Because who loses in that? The kids lose. This is always about the kids. Forget that it's about the kids, it's bricks and mortar, and politics, and unions, and not unions, and whatever. We're forgetting about why we're even talking about this.

SENATOR REDD: Debra, if I could just comment with respect to Camden. I have mixed emotions, mixed reactions when it comes to education in Camden. And I'm sure it impacts other urban districts.

There are charter schools that are effective, in my opinion, and then there are those who are for profit and gain and not for the benefit of the children. And I can speak to that from my personal experience living in the city and what I've witnessed. There are those, in my opinion -- and I've raised the question -- that are not qualified to open a charter school. And

we need to take a look at that from the State level. Who is permitted to put in an application to open a charter school? Many of these individuals have no background in education. And I'm not targeting this to you, but I'm just saying -- I'm stating a fact of individuals who have put forth applications. They are in no way qualified. They're not qualified to do anything if you ask me, let alone educate our children.

So while I'm for education and alternatives, and tracks to education, whether it's charter schools -- I don't think we abandon the public schools -- we have too many in Camden. I think we have nine, and we have three applications in. And I'm opposed to any more charter schools that are going to continue to drain the resources from our existing public schools until we sit and really reform public education in the State of New Jersey. Because there are so many children who are left behind in the classrooms that don't have access to those charter schools that are functioning well, that are producing the educational outcomes, and are graduating their students and getting them either prepared for the workforce or putting them on the college track.

I'm opposed to children being made an experiment. That's just me. That's my personal statement on education and some of the charter schools that are out there.

MS. GRIERSON: If I may, I think that collaboration really is the key to success, whether it's charter-to-charter, district-to-- Whatever is working at this stage really needs to be replicated, figure out why it's working and communicate it, whether it's on the State level, State-to-district. Because it is really true. When charter school law first came into enactment, I think everyone thought this was great. It's not an experiment

any longer. Those of us who are doing well really do need that opportunity. Because look, we're paying rent. We are the only public schools that pay rent out of our 60 cents on the dollar. And I think it's time to really look at that and say it's ridiculous at this stage. And there are probably many different, creative ways to fix that. And I really implore everyone to think about it.

SENATOR REDD: Senator Rice needs to comment.

And I'm not sure if there are any other public members who want to testify. If so, please let me know, because we have -- we're trying to close out.

So Senator Rice and Senator Ruiz.

SENATOR RICE: Let me end on this. Let me be clear from my perspective -- and I'm not a young person anymore. I have gray hair now.

The reason you're paying rent is because you started out seeking a location before you became public anything, to implement a program that you thought was necessary. And it's a good thing. It's no different than me starting out saying I want to be a consultant, or I want to be an engineer, or independent pharmacist, and I look for a place to rent.

Once you made your mind up that you were going into that "business" -- the business of education -- then you turned quasi-public by getting taxpayers public dollars to follow the kids, because your population is coming out. Fine, that's done. We're willing to help you. I'm not going to continue to pour these applications coming through.

There are differences. Yes, I know you have to follow our education guidelines, because we're going to make people do that. The

difference though is that if little Johnny comes to your school and you don't like little Johnny because he's energetic, you're going to throw him out the next day. You can. And I can tell you the schools that have done it. You can basically put them out within conditions. You find reasons more so than the public school. There's no transfer. It's back into the "system as we know it." And so you have abuses in some cases.

We're not -- at least I'm not anti those of you who are doing your job and exist. It's just that I think we need to stop and try to get you right. I just don't think that we should be the ones providing facilities. If that's the case, I'll tell you what. I've got enough education here collectively, background wise, that maybe we should give the Legislature -- put our own application in for a charter school and let them pay us for a building and stuff like that. That's not the way the system is supposed to work. That was never the intent of charter schools. It was to do some good things, which they're doing in certain cases. Most charter schools across the country, contrary to what you all said, fail anyway. The ones that are operating -- a lot of them are doing good. Most don't even get opened.

So I at least want to say that you're quasi-public and you're quasi-business. Maybe you don't see it that way, maybe you don't like it, but that's really what it is. It starts with--

Let me say this final thing. I use this example. And I don't know if you've ever heard this from other people -- and I'll say it for the record. Governor Brendan Byrne's daughter works for charter -- at least she used to -- in New York. They came to New Jersey. And the West Ward of Newark had a baby hospital -- one of the best in the country. The politicians closed it with politics -- United Hospital -- big campus. The

county, if you remember, said, "We're going to put 300 mental health people on that campus." And they were chronically ill mental health people.

At the same time, the folks coming in -- all of a sudden, they wouldn't even tell people in the West Ward where they were going to put a charter school. They didn't know who I was. I forced them to tell. It was going right there. I said, "Why are you going to put our kids with 300 mental health people?" And mental health never came.

I said, "I'll tell you what. I'm not going to demise you, but I'm going to try to work with you." I called Marion Bolden, the Superintendent. She said, "I have enough charter schools now. I have enough. I'm giving up space to everybody but my own students."

We asked them to go into the old Robert Treat building, where we just built a new school. They said they didn't want the school space. So they wind up in a church someplace. Well, to me, I wasn't impressed that they really wanted to help kids. But I also understood who represented, from a legal perspective, the United Hospital -- persons who bought that building. Do you understand what I'm saying?

And so there are problems out there and flaws in the system that you're not aware of. Your intentions may be good and you maybe run a good school. But that's not what I'm expected to-- I pay taxes too, just like you do and everybody else. And so we do see things different with taxpayer dollars. I want to help you.

And the final thing is that there's a lot of talk -- which I support -- of having charter schools concepts within the school facilities that we have. In fact, your organization -- you mentioned NJEA, and there were

others -- NTU -- that started to take a look. Because technically, that's what it started out in Milwaukee to be in the first place, not all this independence out here, but models that make sense. And that's why we started to do academies and things now.

So I'm with you on trying to get this straightened out, but I'm not with you on the facility thing. We'll find some space inside the schools.

SENATOR REDD: Senator Ruiz.

SENATOR RUIZ: I think that your construction concern is something that's echoed throughout the state. And when we were hearing the school construction bill, I had an opportunity to meet with the charter school consortium that kind of represents you. And if it makes sense, at some point we should have them come before us. Because I think that problem was, initially, when the charter school law was written, you were to be funded at 90 percent. Is that correct?

MS. SKINNER: Correct.

SENATOR RUIZ: And that did not take into account how everything would be apportioned. So you're operating, you're maintaining, you're renting facilities within that 90 percent parameter. Is that right?

MS. SKINNER: Yes.

SENATOR RUIZ: Which means that, in essence, the kids are not being funded at 90 percent.

MS. WACHSPRESS: On average, 15 percent of that money goes to facilities leasing, and renting, and purchasing.

SENATOR RUIZ: And what I think should be said is that absolutely no one will ever deny accountability. The Department of Education should be as strict with these charter school applications and the

implementation of them as all of our schools, because charter schools are public schools. As a sitting trustee of the Robert Treat Academy, that has just recently been given the highest ranking in a Blue Ribbon facility, echoed with the same things that are happening at Harriet Tubman-- There's infrastructure now in place for the school district to look at Harriet Tubman, which is a traditional public school, and the Robert Treat Academy, which is a charter school, and say, "These are the same students in the same city. What's working, and how can we benefit?"

I hear what you're saying. It's something that's not solely unique to Jersey City. But it's something that's occurring throughout the city. And I think it has to do with the initial way that the formula was constructed in the beginning, not taking into account schools are funded and operated, and then they're given money for facilities and construction costs. Charter schools are just given a pot of money to spread out. And we are proving that you're doing more with less. And so that's even another point of financial overview -- to see that it doesn't require more money for our schools to excel.

SENATOR REDD: Thank you, Senator Ruiz.

I want to thank the ladies for coming before the panel.

Again, thank you for sharing your testimony. We look forward to your follow-up.

MS. SKINNER: Thank you.

SENATOR REDD: We have final presenters that are coming from the public this afternoon.

And I thank everyone for their patience, especially the Committee.

We have Fletcher Walker, who is the PTA President for Public School 20. We have Terry Michen, Timekia Carter, and Mahmood Ketabchi.

Welcome, and thank you for coming to the public hearing today.

We ask that you use both sets of mikes so we can record your public testimony. And we'll start with Mr. Walker.

F L E T C H E R W A L K E R: Thank you, Madam Chairwoman.

And to the Committee, first of all, we want to thank you all for coming to PS 20. And we pray that you have enjoyed yourself and saw the conditions in which our children are trying to learn.

First of all, we want to say that -- as the President of the PTA -- we want to talk to the Committee so that they can get on our Superintendent and our School Board. We are wasting a lot of money here in School 20 when it comes to repairing and maintenance. We have had the same problem for two years now, and that's rain and water coming into our school. We report it to the maintenance and the Board of Education. The supervisors for maintenance put it in the computer as a work order and send out maintenance people. They just go, and patch it up, and leave. They won't repaint it. They won't clean up. They won't do anything. And, first of all, they will not try to see what the problem is. We have mold, chipping paint, and whatever. Our bathrooms -- most of them don't work. The kids have to wait in line just to go to the bathroom. And when I go to the Board of Education meeting, I get the rip off -- the push-it-to-the-side thing. Nobody can give us an answer.

I believe our representative for this district is Dr. Donnelly. He disputed me and said there was nothing wrong -- because he was here. When the walk-through came from our Governor, all of them showed up. They wouldn't not have come until we invited the Governor to come. Myself and Mr. Mahmood are the ones who initiated the Governor's involvement here. We wrote a letter at first, and he responded to the letter. Then he responded to do a walk-through. As soon as he walked through our basement door, he said, "I don't know how you all are doing what you all are doing."

There is no need for you to continue to give this district money -- and they're not using it properly. I cannot see why they would do, over, and over, and over, the same repairs with the same results. As you can see, we have to use the basketball court here, a computer room here -- everything in our auditorium, because there is no other place for our children to go. When it rains, the basement floods. They cannot even get to the toilet. But our maintenance people have not figured out why.

Our Principal has talked to the Board, but his hands are tied so far. That's why I am speaking on his behalf and the parents' behalf. Please, Committee, if it's within your power, get on Dr. Epps and our Board of Education to see why they keep patching and patching the same things when it could be fixed permanently. This would save money.

We have been waiting since 1993 for someone to clean up the chromium on the land that our school is supposed to be built. They say that's a firm called Honeywell Industry who has been putting it off, and off, and off. We have the promise now that they're going to start in the Spring of next year. When we talked to Dr. Epps about it, he said "maybe."

We're tired of the maybes, we're tired of the prolonging, we're tired of all the games that they are playing with us. We are referred to as second-class citizens in this city. They are saying that the Heights section of Jersey City and the Newport section -- the rich people section -- is a showcase of this city. Greenville, the southern district -- "When we get to you, we'll get to you." And this isn't fair to our children. We feel that our children are just as important as the rich people's children or in the Heights where the Mayor lives. Those are the only two districts that the Board of Education is worried about.

They just finished building a new school called PS 7. Now they are putting two more schools -- an early childhood center school and a primary school -- right across the street from where my old job used to be. They want to do that before they do here, because that's the Mayor's area. That is called the Jersey City Heights.

We deserve something here in the Greenville area. Just because it's majority black and Hispanic, they're putting us on the backburner and that's not fair. Our children cannot even play. They have no gymnasium. And you can see, this is the auditorium. We have to share this as a gymnasium. Sometimes we have to share it as a lunchroom, because the lunchroom is in the basement too. It is part of our toilet system. And when it's flooded, that's no place for them to eat.

If you walk in our hallways, the ceiling paint is coming down. They don't care. We asked them many times, "Come clean the paint so that our children don't get lead." If you go into the nurse's office, it is pathetic that this is the way they leave it. They just come in, patch it up, turn in a report saying they fixed it. And nobody does a follow-up. And

Dr. Epps has thrown everything under the table. I wish that he had stayed here so he could hear my complaint. Because when we go to the Board of Education's meetings, he will not listen. He always puts us on the side and says, "We don't want to talk about that today." This is unfair to us.

SENATOR REDD: Mr. Walker, if I could just comment. One, let me thank you for staying through the public hearing and coming before this Committee to voice your concern -- but really to be an advocate for the children, not only in this school, but in the entire school district. Your concerns that are expressed here today are of similar concerns that were expressed in South Jersey. I noted when I walked in this building it was built in 1899. This building is well beyond 100 years old. And some of the issues that you highlighted are probably issues of wear and tear, and the age of the building.

But I can also tell you that Senator Cunningham, along with this delegation that sits before you today -- not only did we sign on to the bill and fight to get the legislation passed through the Senate and the Assembly. But for this particular site alone, if I'm not mistaken, \$47 million has been allocated for PS 20. So my response is, help is on the way.

Now, the greater issue is moving forward with the construction of the new school. I believe it's slated for a new school -- this area. Correct, Senator?

SENATOR CUNNINGHAM: I think the holdup now with this is -- the money is here, it's been allocated -- but the plans for the new school, I think, are about three years old. So now it's in the process of being looked at again to make sure that it's adequate.

I've just been told that there's a possibility of money -- health, life, and safety moneys that are a part of the SDA -- that are supposed to be sort of a stopgap until they actually build the schools. I will check into that.

And I am really sorry that Dr. Epps left, but I'll get him. Believe me, I'll get him. (laughter) You said you've been going to the Board of Education meetings?

MR. WALKER: Yes, every time they have one. And we've filed our complaints with them. Keep us going until we get the new school.

SENATOR CUNNINGHAM: Okay. Before this is over, on your way out, let me talk to you for a few minutes so I can get this information and see what I can do.

MR. WALKER: This is the ECOC Chairperson, and he's been working with me. His name is Mr. Mahmood. And these are my constituents, Ms. Michen and Ms. Carter. And they will voice to you their concerns -- that we just want to stay afloat until we can get to have a new school.

SENATOR RICE: Mr. Walker, we hear you loud and clear. I thought that Mr. Murphy had left. His team is here.

Maybe, Senator Cunningham, at the end of the meeting you can get with Mr. Murphy. Because under the legislation there's emergent situations that we have some dollars for. There are criteria for them. The problem is, every time we find emergent, the DOE tells us it isn't an emergency in their thing. That's the Department of Education. That's why I'm sorry Ms. Davy left.

But you maybe want to get with Mr. Murphy before he leaves and have Mr. Murphy send us a status of where we are with this school. In other words, if the Senator knows that it's on the list to be built, let us know what's happening with the life safety and health issues.

I went in the bathroom here and thought the floor was going to fall out. I stood on it -- I said, "What about this little closet thing here?" So my point is that you may want to send your team up also to inspect this school. I don't care about the locals. Let me be clear. I don't care about the local -- if it's politics or if it's a budget problem. I want to be helpful and the Senator wants to be helpful. So we need you to come back. In other words, you need to turn to your people and say, "Okay. There are some serious things that we have to put on the emergency list and get approval." That may not be the case. It may be there already. But you have to look at that for us. Okay?

SENATOR CUNNINGHAM: And you can start with the bathroom out here on this floor.

MR. WALKER: Yes, all the bathrooms.

SENATOR CUNNINGHAM: I can't believe that children actually--

UNIDENTIFIED SPEAKER FROM AUDIENCE: That's not the children's.

MR. WALKER: The children's is in the basement.

ASSEMBLYWOMAN JASEY: Senator, you have to see the one in the basement.

SENATOR CUNNINGHAM: The one in the basement is for children?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes, and I can assure you, if you walked into that bathroom, it's nothing like-- This bathroom is wonderful compared to what's downstairs.

SENATOR CUNNINGHAM: Really?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes. And you have the babies who have to go in there and use it.

ASSEMBLYWOMAN JASEY: I was here in the Summer.

SENATOR CUNNINGHAM: Okay.

UNIDENTIFIED SPEAKER FROM AUDIENCE: And, Ms. Cunningham, I can say my daughter went to the Cunningham Center. Coming here was a wakeup call for her, because now she had to learn how to flush these toilets that -- the older ones, not the ones that are in our houses or whatever, but the older ones that you have to crank. So of course you have the babies who are using them who don't know how to flush them. So they're all walking into each others waste.

SENATOR CUNNINGHAM: Sure.

UNIDENTIFIED SPEAKER FROM AUDIENCE: So that bathroom looks wonderful compared to downstairs.

SENATOR CUNNINGHAM: It's in the basement?

UNIDENTIFIED SPEAKER FROM AUDIENCE: They're all in the basement. You have the girls' side and you have the boys' side.

ASSEMBLYWOMAN JASEY: You have to go look at it before you leave.

SENATOR CUNNINGHAM: All of the bathrooms for the children are in the basement?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes.

T I M E K I A C A R T E R: My name is Timekia Carter, and I have two kids that already left this school.

SENATOR REDD: Timekia, shift the mikes your way.

MS. CARTER: I have two children who have already left this school. But my son is actually on a--

SENATOR REDD: The other mike too. Both mikes. There you go.

MS. CARTER: My son actually is on the third floor. And in order for him to go to the bathroom, he has to go all the way downstairs. Now, I know walking is good for you and it's healthy for you, but you know even as adults, sometimes you wait until the last minute to go to the bathroom. So he has to go all the way down to the basement. So they don't allow the children to go to the bathroom as much because, you know, who is going to be supervising them to go all the way downstairs to the bathroom?

This one up here is just for the teachers. That's the teachers' bathroom.

SENATOR CUNNINGHAM: That's the teachers' bathroom.

UNIDENTIFIED SPEAKER FROM AUDIENCE: And the fifth grade classrooms are up here. So the fifth graders, which my son is in -- I have a fifth grader and a first grader. And my son who is in the fifth grade has to go all the way down to the basement to use the bathroom.

SENATOR CUNNINGHAM: Is this the Principal coming in?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Yes.

MR. WALKER: Yes, that's Mr. Fernandez. He's the Principal.

UNIDENTIFIED SPEAKER FROM AUDIENCE: And not all the stalls are in working order. So that's why there's a waiting time.

MR. WALKER: This is our Principal. He can verify what we're saying. It's just ridiculous that the kids have to try to wait in line, because most of the toilets that are in the basement don't work. And if you have two or three kids who need to go, somebody is going to do it in their clothes, because they have to wait. It doesn't work.

SENATOR REDD: Mr. Fletcher, if you will.

Senator Cunningham.

SENATOR CUNNINGHAM: Can we meet after this for a few minutes. (affirmative response) Okay.

SENATOR REDD: I need you to take both mikes if you will.

M A H M O O D K E T A B C H I: My name is Mahmood Ketabchi. I'm a Staff Organizer with Parents and Communities United for Education. We have a chapter of a statewide education organizing committee from Jersey City. The conditions that have been described by parents here -- many other schools share a similar experience. So it's not really an exception.

But I also wanted to ask you, what are the procedures for parents to participate in the construction of new schools? We want to make sure that the parents are involved, our communities are involved. So I just wanted to ask you a question about that.

SENATOR REDD: If I can, I would direct you to work with Senator Cunningham. And then we have Mr. Jerry Murphy, who is here with the SDA, and also Mr. John Hart, with the Department of Education, to talk about how parental involvement influences the design and the

outcomes of the construction. It's very important because, I know, we as legislators and community leaders are always advocating for parents to be involved and grandparents to be involved in the education of the youth.

And, again, I want to commend you that you would come here to the public hearing to voice your concerns. And I also commit to you that we'll work along with you in this area to move those issues to the forefront so that we can get this school constructed more on the fast track than, rather, on the back burner. So, again, if you would meet with Senator Cunningham as soon as this is over.

UNIDENTIFIED SPEAKER FROM AUDIENCE: I just have one other question. I just wanted to know, if I wanted to get copies of the minutes for this public forum, how would I go about doing that?

SENATOR REDD: If you will, see Melanie Schulz at the end of the meeting. A transcript will be available. And it is a public document.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Okay. Thank you.

SENATOR REDD: Thank you, everyone. We thank you so much.

MR. FERNANDEZ: I don't know, because I came in--

SENATOR REDD: We're going to have you meet with Senator Cunningham. We're fine at this point.

We're going to conclude with the testimony.

MR. FERNANDEZ: I want to just clarify that we do have tons of issues in this building. We do what we can. We adjust, we adapt. And I feel that we're doing a great job. But the facilities are-- I mean, we have one bathroom for the boys, one bathroom for the girls. And yes, right now,

at least two of the eight urinals are not working on the boys. I'm not sure about the girls, but there's at least one that is not working. We're constantly fixing them. In the wintertime, we have two boilers, and usually one of them is out.

SENATOR REDD: The members of the Committee would actually like to take a tour. So you can take us three flights down and you can take us a couple of steps over so we'll have the point of comparison.

MR. FERNANDEZ: Thank you very much.

SENATOR REDD: Thank you so very much.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Thank you.

SENATOR REDD: Without any further comment, I think this has certainly been a productive public hearing. We look forward to the future public hearings and thank everyone for your participation, and particularly the leadership here in Jersey City.

Again, thank you. And we will continue this dialogue and move forward with school construction in the State of New Jersey.

Meeting adjourned.

(MEETING CONCLUDED)