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## Fact Sheet

### Special Aid Categories and Spending

- Since 1990, the Supreme Court has found 2 legislative funding formulas unconstitutional as applied to Abbott districts: (1) the Quality Education Act “QEA” of 1990; and (2) the Comprehensive Educational Improvement and Financing Act “CEIFA” of 1996, since neither satisfied the Supreme Court’s requirement of “parity” funding, i.e. that poorer urban districts have a per pupil expenditure that is approximately equal to the state’s most affluent suburban (I&J) districts.
- In 1997, the Court mandated “parity” funding as an interim remedy, which resulted in a specific aid category called “Abbott Parity Funding.”
- Another special aid category was established in fiscal year 1999, “Additional Abbott v. Burke Aid”, (also known as “supplemental aid”) to meet the court’s directive that the Commissioner provide or secure “funding necessary to implement those programs for which Abbott schools or districts make a request and are able to demonstrate a need.”
- The parity and supplemental aid categories resulted in reversing the funding gap.
- In FY98, parity aid was \$216 million, and by FY03, it had increased to \$512 million. In FY04, it is expected to be just over \$700 million dollars.
- Supplemental aid was first provided in FY00 and it rose to \$318 million in FY03.
- Total aid to Abbott districts between FY97 and FY03 has increased by almost \$1.3 billion dollars. [Note this includes many other aid categories that have also increased during this period.]

- The Supreme Court had ordered that the state provide Abbott districts with funding to allow them to spend at the average of I&J districts.
- As reported in the 2002 State Report Card, the average comparative cost per pupil in the state's I&J districts was \$9,344.
- Although comparative costs per pupil vary widely among the 30 Abbott districts, all of them now have a comparative per pupil cost in excess of the I&J average.
- Abbott district per pupil costs in FY02 range from a low of \$9,973 in Perth Amboy to \$15,315 in Asbury Park.
- It should be noted that The Education Trust in August 2002 ranked New Jersey as No. 1 in the nation in making the most progress in closing the gap, and is “far and away the state that targets [state revenues] most heavily to high-poverty districts.”
- In addition, in 1990 Abbott districts had equalized school property tax rates well above the state average; in 2002 the average equalized school property tax rates for Abbott districts are well **below** the state average; of the 30 Abbott districts, 23 have rates below the state average.