



Fiscal Year 2022 Budget Proposal: Investing in Our Students, Schools, and Future

Total budget investment in pre-k through 12: \$18.1 billion

Total budget investment in higher education: \$2.6 billion

Governor Murphy has long believed that investments in our students are investment in the future of our state. As we continue to grapple with the COVID-19 pandemic, the Governor believes more than ever that we must prioritize education and support students of all ages.

The proposed FY2022 budget furthers the Governor's historic commitment to education. Governor Murphy's four budgets will have increased direct pre-K through 12 spending statewide by nearly **\$1.5 billion**. Additionally, this budget boldly strives to make higher education more attainable for more New Jersey residents.

Governor Murphy understands that increasing school funding is critical to helping municipalities deliver property tax relief. Due to historic investments in education, Governor Murphy's first three years in office have seen the slowest rate of property tax increase of any administration in over 20 years.

Investing in Our Public Schools

Since taking office, Governor Murphy has substantially increased investments in public schools, putting New Jersey on the path to fully funding the school funding formula. This budget would:

- Increase formula aid by **\$578 million**, ensuring that the next two steps of the path to full funding are taken;
- Provide **\$25 million** more for Extraordinary Special Education Aid;
- Create a new **\$50 million** Stabilization Aid program;
- Fund a new **\$75 million** Capital Maintenance and Emergent Needs program;
- Continue to invest **\$4.5 million** in school-based wraparound services.

The investment in education will allow districts to make smart investments in their communities to meet the unique needs of their students and educators, an especially critical priority as districts manage challenges caused by the COVID-19 pandemic. School districts will be able to use state funds in conjunction with federal resources to address pandemic-related learning loss, stand up mental health programs, train educators, and remediate buildings, among other uses.

Investing in Our Pre-K Students

Programs for our youngest learners have proven to be among the smartest investments we can make in our future, with pre-K investments shown to have a seven-fold return on investment. This budget would:

- Expand the state investment in pre-K by **\$50 million**, including **\$26 million** for new programs.
 - To prepare for the expansion of pre-K, the Department of Education has approved over 6,500 preschool seats in over 100 new districts, with 1,800 seats in 25 new districts expected.

Investing in Higher Education

This budget would make higher education more attainable for more New Jersey families and further assist colleges by:

- Allocating an additional **\$50 million** to fund The Garden State Guarantee, which provides two years of free college or university tuition at a four-year institution to students with household incomes of less than \$65,000;
- Investing **\$27 million** in Community College Opportunity Grants (CCOGs), which provide tuition-free community college for eligible students;
- Advancing the Educational Opportunity Fund (EOF) through an investment of **\$51.8 million**, an increase of **\$2.8 million**, and fully funding undergraduate slots in the program for the first time in decades;
- Increasing aid to community colleges by an additional \$5 million.