Testimony: The Fiscal Erosion of Kittatinny Regional School District Due to Public Law 2018 chapter 67

To the Members of the Committee:

My name is Craig Hutcheson, and I have served as the Superintendent of the Kittatinny Regional School District since 2007. I first walked into KRHS as a young administrator in 1999, and I have spent nearly my entire career "bleeding Cougar blue." I know this community, I know these families, and I know that the implementation of **S2 (P.L.2018, c.67)** is systematically dismantling the excellence we have spent decades building.

The Sussex County Context: A Zero-Sum Game

The impact of S2 on Sussex County has been nothing short of a fiscal catastrophe.

- In 2018, Sussex County received **$110.6 million** in state aid.
- By the 2025-2026 cycle, that figure has plummeted to **$90.6 million**.

While we celebrate the relief found by one district in our county—which saw an increase of over $9 million—the math reveals a grim reality for the rest of us. Because of the way this formula is structured, that single gain means the other 24 districts in Sussex County lost a combined **$29.3 million**, or **26.5% of their support**.

The formula is fundamentally flawed: it imposes no limits on the depth of cuts to "losing" districts, yet caps "winning" districts at a 6% increase. We are witnessing a redistribution of wealth that leaves rural districts like ours starved for revenue.

The Kittatinny Crisis: By the Numbers

Kittatinny Regional is a 7-12 district covering 135 square miles. We have always been responsible stewards of taxpayer dollars, often budgeting below the 2% cap because we believed in only asking for what we truly needed. We are now being punished for that fiscal conservatism.

Metric	**2018-2019**	**2025-2026**	**Change**
State Aid	$5,964,645	$1,852,276	**-68.96%** ($4.1M Loss)
State Funding Share	31%	9%	**-22%**
Local Taxpayer Share	~60%	84%	**+24%**

In the last 16 years, our total budget has only increased by **$717,752**. Had our 2009 budget simply kept pace with the 43%–51% cumulative inflation rate, our budget should sit between **$29M and $31M**. Instead, we are operating on **$20.9M**. We aren't just "trimming fat"; we are severing muscle and bone.

The Human Cost

These numbers translate into a diminished experience for our students. Over the last eight years, we have:

- **Lost 40+ staff positions**, representing over 20% of our total workforce.
- **Eliminated CTE programs** and vital co-curricular activities.
- **Cut 5:30 PM bus routes.** In a 135-square-mile district, these buses were a lifeline. Now, a student participating in athletics or extra help requires a parent to drive up to 25 miles for a pickup. We are effectively telling our students that involvement is a luxury they may no longer be able to afford.

Conclusion

Our enrollment has decreased, but it has not dropped by 69%. We have "right-sized" our district responsibly year after year, but S2 does not recognize local effort or geographic reality. It has shifted the burden of education almost entirely onto the backs of rural taxpayers who have supported this school district for 51 years.

The current formula is stacked against Kittatinny. We are revenue-starved, and our students are paying the price. I urge this committee to reassess the S2 formula and restore the funding necessary to keep the heart of our community beating.