



*State of New Jersey*

OFFICE OF THE ATTORNEY GENERAL  
DEPARTMENT OF LAW AND PUBLIC SAFETY  
DIVISION OF LAW  
25 MARKET STREET  
PO Box 112  
TRENTON, NJ 08625-0500

GURBIR S. GREWAL  
*Attorney General*

PHILIP D. MURPHY  
*Governor*

SHEILA Y. OLIVER  
*Lt. Governor*

MICHELLE L. MILLER  
*Director*

August 30, 2018

Via e-courts

Hon. Mary C. Jacobson, A.J.S.C.  
New Criminal Courthouse  
400 S. Warren Street, 4<sup>th</sup> Floor  
Trenton, New Jersey 08650

Re: Latino Action Network, et al. v. State of New  
Jersey, et al.  
Docket No.: MER-L-1076-18  
STATUS UPDATE

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Dear Judge Jacobson:

We represent the Defendants in the above-referenced matter. In accordance with the Court's January 8, 2019 Order, we write to advise Your Honor on the status of this matter in advance of the telephonic conference scheduled for April 17, 2019.

As set forth in the previous jointly submitted case status updates, the parties began settlement negotiations in September 2018. The initial discussions were hosted by Plaintiffs and primarily consisted of presentations from a number of Plaintiffs' consultants and focused on the potential components of a possible remedial plan to settle the issues raised in Plaintiffs' lawsuit. The parties' last met at the Department of Education on January 25, 2019, where the Assistant Commissioner of Finance discussed various aspects of the current school funding structure. Plaintiffs also brought with them Bruce Baker, a professor at Rutgers University, to participate in those discussions. At the conclusion of that meeting, Plaintiffs' counsel informed that they would develop and present a proposed remedial plan that would serve as the basis for further negotiations. They anticipated presenting the proposal by the end of February. Defendants' counsel agreed to this approach.



On February 22, 2019 Plaintiffs' counsel abruptly changed course. They informed Defendants' counsel, without explanation, that they needed a "reset," that they were dissatisfied with the progress of the settlement negotiations, and that talks could proceed only if the Defendants admitted liability. This change in position was both unanticipated and perplexing.

Despite this unexpected halt in discussions, the State remains committed to engage in good faith negotiations in an attempt to resolve the issues raised in Plaintiff's lawsuit. As recognized by both parties in the last joint status update, the issues in this case are remarkably complex and the potential remedies could have far-reaching and unintended impacts and implications to the State's system of public education.

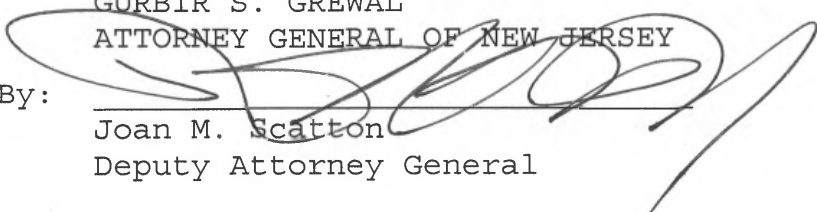
Given the breakdown in settlement negotiations, the Defendants request that the court hold the phone conference scheduled for April 17, 2019, so that the parties can discuss how this matter should proceed. As the previous continuance of court-ordered due dates will expire on April 8, 2019, Defendants request a brief extension until April 17, so that new deadlines can be established at that time.

Thank you for Your Honor's courtesies and consideration of this request. If Your Honor has any questions or concerns, I can be reached directly at (609) 376-2665.

Respectfully submitted,

GURBIR S. GREWAL  
ATTORNEY GENERAL OF NEW JERSEY

By:

  
Joan M. Scatton  
Deputy Attorney General

cc: Lawrence S. Lustberg, Esq. (via e-courts and email)  
Michael S. Stein, Esq. (via e-courts and email)

