

[First Reprint]

**SENATE, No. 2372**

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**STATE OF NEW JERSEY**  
**217th LEGISLATURE**

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INTRODUCED JUNE 16, 2016

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Cumberland, Gloucester and Salem)**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Co-Sponsored by:**

**Senator Turner**

**SYNOPSIS**

Establishes State School Aid Funding Fairness Commission.

**CURRENT VERSION OF TEXT**

As reported by the Senate Education Committee on June 20, 2016, with amendments.



**(Sponsorship Updated As Of: 6/21/2016)**

1 AN ACT establishing the State School Aid Funding Fairness  
2 Commission.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. a. There is established the State School Aid Funding Fairness  
8 Commission. The commission shall consist of four public members  
9 appointed as follows: two members appointed by the Governor; one  
10 member appointed by the Senate President; and one member appointed  
11 by the Speaker of the General Assembly. The members shall have  
12 knowledge and experience in public school finance <sup>1</sup>**[or]** and<sup>1</sup>  
13 knowledge and experience in State budgeting and finance.

14 b. Appointments to the commission shall be made within 30 days  
15 of the effective date of this act. Vacancies in the membership of the  
16 commission shall be filled in the same manner as the original  
17 appointments were made. Members of the commission shall serve  
18 without compensation but shall be reimbursed for necessary expenses  
19 incurred in the performance of their duties within the limits of funds  
20 made available to the commission for its purposes.

21 c. The commission shall organize within 30 days after the  
22 appointment of its members and shall select a chairperson from among  
23 its members and a secretary who need not be a member of the  
24 commission. The commission shall meet at the call of its chairperson  
25 at the times and places it may deem appropriate and necessary to fulfill  
26 its duties, and shall conduct at least two public hearings to elicit the  
27 testimony of interested groups and members of the public.

28 d. The Department of Education and the Department of the  
29 Treasury shall provide such staff and related support services as the  
30 commission requires to carry out its work. The commission shall also  
31 be entitled to call to its assistance and avail itself of the services of the  
32 employees of any State, county, or municipal department, board,  
33 bureau, commission, or agency as it may require and as may be  
34 available to it for its purposes.

35

36 2. a. It shall be the duty of the commission to study:

37 (1) the adjustment aid and State aid growth limit provisions of the  
38 “School Funding Reform Act of 2008” (SFRA), P.L.2007, c.260  
39 (C.18A:7F-43 et al.), to determine recommendations for revising those  
40 provisions in order to bring all school districts to their adequacy  
41 budgets as calculated pursuant to section 9 of that act over a period of  
42 five school years <sup>1</sup>in a fair and equitable manner<sup>1</sup>;

43 (2) the tax levy growth limitation as established and calculated  
44 pursuant to section 3 of P.L.2007, c.62 (C.18A:7F-38) and its impact  
45 on the ability of school districts to adequately fund operating expenses;

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SED committee amendments adopted June 20, 2016.

1 (3) the per pupil administrative costs limit as established pursuant  
2 to paragraphs (1) and (2) of subsection c. of section 5 of P.L.1996,  
3 c.138 (C.18A:7F-5) and the impact of the limit on school district  
4 staffing and operations; <sup>1</sup>**[and]**<sup>1</sup>

5 (4) the equalized valuation and income measures used to  
6 determine a school district's local share of its adequacy budget as  
7 calculated pursuant to section 10 of P.L.2007, c.260 (C.18A:7F-52),  
8 and the impact of property tax abatements on that local share<sup>1</sup>; and

9 (5) the ability of a school district to lower its school tax levy in the  
10 case that the State is not providing equalization aid pursuant to the  
11 provisions of section 10 of P.L.2007, c.260 (C.18A:7F-52)<sup>1</sup>.

12 b. The recommendations made by the commission shall conform  
13 with the responsibility of the Legislature under Article VIII, section  
14 IV, paragraph 1 of the New Jersey Constitution to provide a thorough  
15 and efficient system of free public schools.

16  
17 3. The commission shall issue a report within one year of its  
18 organization on its findings and recommendations to the Governor,  
19 the President of the Senate, and the Speaker of the General  
20 Assembly. The report shall be accompanied by proposed legislation  
21 to implement the commission's recommendations.

22  
23 4. The proposed legislation submitted pursuant to section 3 of  
24 this act shall be introduced in the Senate by the Senate President  
25 and in the General Assembly by the Speaker of the General  
26 Assembly. The bill shall not be referred to committee in either  
27 House, shall receive second reading without committee  
28 consideration, and shall then be placed on third reading. The bill  
29 must either be approved on final passage or rejected, without  
30 change or amendment, before the full membership of the House.

31  
32 5. This act shall take effect immediately, and the commission  
33 shall expire 30 days after the submission of its report.