SENATE RESOLUTION No. 100
STATE OF NEW JERSEY
217th LEGISLATURE
INTRODUCED JANUARY 9, 2017

Sponsored by:
Senator STEPHEN M. SWEENEY
District 3 (Cumberland, Gloucester and Salem)
Senator THOMAS H. KEAN, JR.
District 21 (Morris, Somerset and Union)
Senator SHIRLEY K. TURNER
District 15 (Hunterdon and Mercer)

SYNOPSIS
Constitutes special committee of Senate entitled “Senate Select Committee on School Funding Fairness.”

CURRENT VERSION OF TEXT
As introduced.
A Senate Resolution constituting a special committee of the Senate entitled the “Senate Select Committee on School Funding Fairness.”

WHEREAS, In 2007, the State’s current public school funding formula was enacted pursuant to the provisions of the “School Funding Reform Act of 2008” (SFRA), P.L.2007, c.260 (C.18A:7F-43 et al.); and

WHEREAS, For several decades prior to the enactment of the SFRA, the New Jersey Supreme Court had superintended the ongoing litigation that carries the name Abbott v. Burke, with the goal of ensuring that the constitutional guarantee of a thorough and efficient system of public education is a reality for all students, regardless of where they live; and

WHEREAS, In May, 2009, the New Jersey Supreme Court determined that the State under the SFRA had enacted a constitutionally adequate school funding scheme that satisfied the requirements of the thorough and efficient clause of the State Constitution; and

WHEREAS, The SFRA was used to distribute State school aid for only the 2008-2009 school year, and since then the fair and equitable plan established by the SFRA has been undermined by the failure of the administration to fully fund the formula; and

WHEREAS, Under the SFRA, State aid is meant to be distributed based on a formula that takes into account each school district’s property tax base, its ability to pay, changes in enrollment, and the special needs of its students; and

WHEREAS, The State reneged on its promise by failing to properly fund the school funding formula and meet the changing needs of school districts that have been significantly impacted by demographic and fiscal changes since the enactment of the SFRA; and

WHEREAS, A large number of school districts are now being shortchanged in State school aid, forcing taxpayers to assume a greater local burden for the support of their schools; and

WHEREAS, The inequities in the system have caused a growing number of legislators, advocacy groups, educators, and parents to express their concerns about a system that is unfair to schools and harmful to local taxpayers; and

WHEREAS, For the past eight months, a school funding policy analysis has been underway which has included meetings and roundtables with school superintendents, school board members, education groups, and mayors from across the State; and

WHEREAS, The focus of the analysis is to propose fair and equitable school funding amounts for each school district, with the addition of $100 million in State school formula aid to increase funding for underfunded districts; and

WHEREAS, Because the structural problem in school funding and taxation will only grow worse if not addressed, it is imperative at
this time to convene a special committee of the Senate to build on the school funding policy analysis that has been conducted to date, and provide for a school funding system that ensures adequate State aid for our school districts to support an equal opportunity for every student in the State; now, therefore,

BE IT RESOLVED by the Senate of the State of New Jersey:

1. There is constituted a special committee of the Senate entitled the “Senate Select Committee on School Funding Fairness,” comprising 10 members of the Senate to be appointed by the Senate President, not more than six of whom shall be of the same political party. The Senate President shall appoint the chair and vice-chair of the special committee from among the special committee’s appointed members.

2. a. The Senate Select Committee on School Funding Fairness shall study:

   (1) the impact of the adjustment aid and State aid growth limit provisions of the “School Funding Reform Act of 2008” (SFRA), P.L.2007, c.260 (C.18A:7F-43 et al.), on the fairness of the school funding formula, to make recommendations for revising those provisions in order to provide full funding of the “School Funding Reform Act of 2008” over a five-year period, and to bring fair and equitable funding to all school districts for enrollment growth over a multi-year period;

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

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

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

   (5) the ability of a school district that is spending at or above its adequacy budget to lower its school tax levy in the event that additional State aid is provided under proposed legislation to implement the committee’s recommendations; and

   (6) the distribution of special education funding, and the effects of the change under the “School Funding Reform Act of 2008” to a census-based funding method with special education costs supported in part on a wealth-equalized basis.

b. The recommendations made by the Senate Select Committee on School Funding Fairness shall conform with the responsibility of
the Legislature under Article VIII, section IV, paragraph 1 of the New Jersey Constitution to provide a thorough and efficient system of free public schools. The special committee shall strive for consensus in all its recommendations.

3. For the purposes of carrying out its charge under this resolution, the Senate Select Committee on School Funding Fairness shall have all the powers conferred under the laws and the Constitution of the State of New Jersey and the United States including, but not limited to, the following powers:
   a. to hold hearings and take testimony relating to the matters it is authorized to study;
   b. to use any and all reasonable means of interviewing or fact gathering; and
   c. to issue a report on its findings and recommendations to the Senate President. The report shall be accompanied by proposed legislation to implement the recommendations of the Senate Select Committee on School Funding Fairness.

4. The Senate Select Committee on School Funding Fairness shall be entitled to call to its assistance and avail itself of the services of the employees of the State of New Jersey, any political subdivision of the State, and any agency thereof, as may be required and as may be available for that purpose, and to employ any other services as may be deemed necessary, in order to perform the duties provided herein, and within the limits of funds appropriated or otherwise made available for that purpose.

5. This resolution shall take effect immediately.

STATEMENT

This resolution constitutes a special committee of the Senate entitled the “Senate Select Committee on School Funding Fairness.” The special committee will be comprised of 10 members of the Senate appointed by the Senate President, with no more than six members from the same political party. The Senate President will appoint the chair and vice-chair of the special committee from among the members of the special committee.

The special committee is charged with studying the following issues:

(1) the impact of the adjustment aid and State aid growth limit provisions of the “School Funding Reform Act of 2008” (SFRA), P.L.2007, c.260 (C.18A:7F-43 et al.), on the fairness of the school funding formula, to make recommendations for revising those provisions in order to provide full funding of the “School Funding Reform Act of 2008” over a five-year period, and to bring fair and
equitable funding to all school districts for enrollment growth over a multi-year period;

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

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

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

(5) the ability of a school district that is spending at or above its adequacy budget to lower its school tax levy in the event that additional State aid is provided under proposed legislation to implement the committee’s recommendations; and

(6) the distribution of special education funding, and the effects of the change under the “School Funding Reform Act of 2008” to a census-based funding method with special education costs supported in part on a wealth-equaled basis.

The resolution provides that the Senate Select Committee on School Funding Fairness may call to its assistance and avail itself of the services of employees of the State, any political subdivision of the State, and any agency thereof, as may be required and as may be available, and may employ any other necessary services, in order to perform the duties of the special committee, and within the limits of funds appropriated or otherwise made available to the special committee.