

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY COMMITTEE SUBSTITUTE FOR**  
**ASSEMBLY, No. 4181**  
**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

DATED: JUNE 25, 2018

**SUMMARY**

**Synopsis:** Requires establishment of common enrollment system in renaissance school district; expands definition of urban campus area; clarifies that employees of renaissance school projects are in State-administered retirement systems.

**Type of Impact:** No impact.

**Agencies Affected:** School District

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>Local Cost</b>	No Impact		

- The Office of Legislative Services (OLS) concludes that the legislation would not have any impact on revenues or expenditures for the Camden School District – the only renaissance school district in the State. First, the OLS notes that the district currently operates a common enrollment system in which all public schools located in the district, except for one charter school, participate. The OLS anticipates that there would be no additional cost associated with including that school in the common enrollment system. Second, while the legislation clarifies that employees of the renaissance school projects are members of the State-administered retirement systems, these employees are currently enrolled in these systems. Third, while the legislation would allow a nonprofit entity to establish a new school facility in an area of the district in which the nonprofit entity is currently not authorized to operate, the bill does not provide the nonprofit entity with the authority to unilaterally establish a new facility. Rather, such a decision would continue to be subject to an agreement with the district.

**BILL DESCRIPTION**

P.L.2011, c.176 (C.18A:36C-1 et seq.) provided for the creation of renaissance school districts, districts with a history of poor performance on Statewide assessments that elect to enter

into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the bill's provisions. The bill makes three changes that would affect the district:

1) the bill requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects would be required to participate;

2) the bill modifies the definition of an urban campus area. A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This bill provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project; and

3) the bill clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS concludes that the legislation will not have a fiscal impact on the school district. With respect to the requirement that the school district establish a common enrollment system, and that all public schools located in the district participate in it, the Camden School District currently operates a common enrollment system, and all public schools in the district, with the exception of one charter school, participate in the enrollment system. To the extent that the system is already established and is used by nearly all of the public schools located in the district, the OLS anticipates that the one remaining school could be absorbed into the system at no additional cost.

The change in the definition of urban campus area would not cause a change in school district expenditures. While the bill allows a nonprofit entity that established a renaissance school project to shift the geographic area in which it may establish a new school facility, current law would continue to require an agreement between the school district and the nonprofit entity to open a new school.

The bill's clarification that renaissance school project employees are members of the State-administered retirement systems would not have a fiscal impact. Currently, these employees are enrolled in these retirement systems.

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This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).