# SENATE, No. 3013

# STATE OF NEW JERSEY

### 219th LEGISLATURE

INTRODUCED OCTOBER 19, 2020

**Sponsored by:** 

Senator M. TERESA RUIZ

District 29 (Essex)

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex, Morris and Passaic)

**Co-Sponsored by:** 

Senators Diegnan, Singleton and Pou

#### **SYNOPSIS**

Renames "security aid" as "health and safety aid" to reflect that secure schools provide for students' mental health; provides that State aid for nonpublic school security services may also be used for mental health services.

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 12/2/2021)

AN ACT concerning security aid and amending various parts of the 1 2 statutory law.

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

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- 1. Section 19 of P.L.1979, c.207 (C.18A:7B-12) is amended to read as follows:
- 19. For school funding purposes, the Commissioner of Education shall determine district of residence as follows:
- a. (1) In the case of a child placed in a resource family home prior to the effective date of P.L.2010, c.69 (C.30:4C-26b et al.), the district of residence shall be the district in which the resource family parents reside. If such a child in a resource family home is subsequently placed in a State facility or by a State agency, the district of residence of the child shall then be determined as if no such resource family placement had occurred.
- (2) In the case of a child placed in a resource family home on or after the effective date of P.L.2010, c.69 (C.30:4C-26b et al.), the district of residence shall be the present district of residence of the parent or guardian with whom the child lived prior to the most recent placement in a resource family home.
- b. The district of residence for children who are in residential State facilities, or who have been placed by State agencies in group homes, skill development homes, private schools or out-of-State facilities, shall be the present district of residence of the parent or guardian with whom the child lived prior to his most recent admission to a State facility or most recent placement by a State agency.
- The district of residence for children whose parent or c. guardian temporarily moves from one school district to another as the result of being homeless shall be the district in which the parent or guardian last resided prior to becoming homeless. purpose of this amendatory and supplementary act, "homeless" shall mean an individual who temporarily lacks a fixed, regular and adequate residence.
- If the district of residence cannot be determined according to the criteria contained herein, if the criteria contained herein identify a district of residence outside of the State, or if the child has resided in a domestic violence shelter, homeless shelter, or transitional living facility located outside of the district of residence for more than one year, the State shall assume fiscal responsibility for the tuition of the child. The tuition shall equal the approved per pupil cost established pursuant to section 24 of P.L.1996, c.138 (C.18A:7F-24). This amount shall be appropriated in the same

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

1 manner as other State aid under this act. The Department of 2 Education shall pay the amount to the Department of Human 3 Services, the Department of Children and Families, the Department 4 of Corrections or the Juvenile Justice Commission established 5 pursuant to section 2 of P.L.1995, c.284 (C.52:17B-170) or, in the case of a homeless child or a child in a family resource home, the 6 7 Department of Education shall pay to the school district in which 8 the child is enrolled the weighted base per pupil amount calculated 9 pursuant to section 7 of P.L.2007, c.260 (C.18A:7F-49) and the 10 appropriate [security] health and safety categorical aid per pupil and special education categorical aid per pupil. 11

- e. If the State has assumed fiscal responsibility for the tuition of a child in a private educational facility approved by the Department of Education to serve children who are classified as needing special education services, the department shall pay to the Department of Human Services, the Department of Children and Families or the Juvenile Justice Commission, as appropriate, the aid specified in subsection d. of this section and in addition, such aid as required to make the total amount of aid equal to the actual cost of the tuition.
- 21 (cf: P.L.2017, c.83, s.1)

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- 2. Section 5 of P.L.1996, c.138 (C.18A:7F-5) is amended to read as follows:
- 5. As used in this section, "cost of living" means the CPI as defined in section 3 of P.L.2007, c.260 (C.18A:7F-45).
- Within 30 days following the approval of the Educational Adequacy Report, the commissioner shall notify each district of the base per pupil amount, the per pupil amounts for full-day preschool, the weights for grade level, county vocational school districts, atrisk pupils, bilingual pupils, and combination pupils, the cost coefficients for [security] health and safety aid and for transportation aid, the State average classification rate and the excess cost for general special education services pupils, the State average classification rate and the excess cost for speech-only pupils, and the geographic cost adjustment for each of the school years to which the report is applicable.

Annually, within two days following the transmittal of the State budget message to the Legislature by the Governor pursuant to section 11 of P.L.1944, c.112 (C.52:27B-20), the commissioner shall notify each district of the maximum amount of aid payable to the district in the succeeding school year pursuant to the provisions of P.L.2007, c.260 (C.18A:7F-43 et al.), and shall notify each district of the district's adequacy budget for the succeeding school

For the 2008-2009 school year and thereafter, unless otherwise specified within P.L.2007, c.260 (C.18A:7F-43 et al.), aid amounts payable for the budget year shall be based on budget year pupil

counts, which shall be projected by the commissioner using data from prior years. Adjustments for the actual pupil counts of the budget year shall be made to State aid amounts payable during the school year succeeding the budget year. Additional amounts payable shall be reflected as revenue and an account receivable for the budget year.

7 Notwithstanding any other provision of this act to the contrary, 8 each district's State aid payable for the 2008-2009 school year, with 9 the exception of aid for school facilities projects, shall be based on 10 simulations employing the various formulas and State aid amounts 11 contained in P.L.2007, c.260 (C.18A:7F-43 et al.). 12 commissioner shall prepare a report dated December 12, 2007 13 reflecting the State aid amounts payable by category for each 14 district and shall submit the report to the Legislature prior to the 15 adoption of P.L.2007, c.260 (C.18A:7F-43 et al.). Except as 16 otherwise provided pursuant to this subsection and paragraph (3) of 17 subsection d. of section 5 of P.L.2007, c.260 (C.18A:7F-47), the 18 amounts contained in the commissioner's report shall be the final 19 amounts payable and shall not be subsequently adjusted other than 20 to reflect the phase-in of the required general fund local levy 21 pursuant to paragraph (4) of subsection b. of section 16 of 22 P.L.2007, c.260 (C.18A:7F-58) and to reflect school choice aid to 23 which a district may be entitled pursuant to section 20 of that act. 24 The projected pupil counts and equalized valuations used for the 25 calculation of State aid shall also be used for the calculation of 26 adequacy budget, local share, and required local share. For 2008-27 2009, extraordinary special education State aid shall be included as 28 a projected amount in the commissioner's report dated December 29 12, 2007 pending the final approval of applications for the aid. If 30 the actual award of extraordinary special education State aid is 31 greater than the projected amount, the district shall receive the increase in the aid payable in the subsequent school year pursuant 32 33 to the provisions of subsection c. of section 13 of P.L.2007, c.260 34 (C.18A:7F-55). If the actual award of extraordinary special 35 education State aid is less than the projected amount, other State aid 36 categories shall be adjusted accordingly so that the district shall not 37 receive less State aid than as provided in accordance with the 38 provisions of sections 5 and 16 of P.L.2007, c.260 (C.18A:7F-47 39 and C.18A:7F-58).

In the event that the commissioner determines, following the enactment of P.L.2007, c.260 (C.18A:7F-43 et al.) but prior to the issuance of State aid notices for the 2008-2009 school year, that a significant district-specific change in data warrants an increase in State aid for that district, the commissioner may adjust the State aid amount provided for the district in the December 12, 2007 report to reflect the increase.

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b. Each district shall have a required local share. For districts that receive educational adequacy aid pursuant to subsection b. of

1 section 16 of P.L.2007, c.260 (C.18A:7F-58), the required local 2 share shall be calculated in accordance with the provisions of that 3 subsection.

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For all other districts, the required local share shall equal the lesser of the local share calculated at the district's adequacy budget pursuant to section 9 of P.L.2007, c.260 (C.18A:7F-51), or the district's budgeted local share for the prebudget year.

In order to meet this requirement, each district shall raise a general fund tax levy which equals its required local share.

No municipal governing body or bodies or board of school estimate, as appropriate, shall certify a general fund tax levy which does not meet the required local share provisions of this section.

Annually, on or before March 4, or on or before March 20 in the case of a school district with an annual school election in November, each district board of education shall adopt, and submit to the commissioner for approval, together with such supporting documentation as the commissioner may prescribe, a budget that provides for a thorough and efficient education. Notwithstanding the provisions of this subsection to the contrary, the commissioner may adjust the date for the submission of district budgets if the commissioner determines that the availability of preliminary aid numbers for the subsequent school year warrants such adjustment.

Notwithstanding any provision of this section to the contrary, for the 2005-2006 school year each district board of education shall submit a proposed budget in which the advertised per pupil administrative costs do not exceed the lower of the following:

- (1) the district's advertised per pupil administrative costs for the 2004-2005 school year inflated by the cost of living or 2.5 percent, whichever is greater; or
- (2) the per pupil administrative cost limits for the district's region as determined by the commissioner based on audited expenditures for the 2003-2004 school year.

The executive county superintendent of schools may disapprove the school district's 2005-2006 proposed budget if he determines that the district has not implemented all potential efficiencies in the administrative operations of the district. The executive county superintendent shall work with each school district in the county during the 2004-2005 school year to identify administrative inefficiencies in the operations of the district that might cause the superintendent to reject the district's proposed 2005-2006 school year budget.

For the 2006-2007 school year and each school year thereafter, each district board of education shall submit a proposed budget in which the advertised per pupil administrative costs do not exceed the lower of the following:

(1) the district's prior year per pupil administrative costs; except that the district may submit a request to the commissioner for approval to exceed the district's prior year per pupil administrative

- 1 costs due to increases in enrollment, administrative positions
- 2 necessary as a result of mandated programs, administrative
- 3 vacancies, nondiscretionary fixed costs, and such other items as
- 4 defined in accordance with regulations adopted pursuant to section
- 5 7 of P.L.2004, c.73. In the event that the commissioner approves a
- 6 district's request to exceed its prior year per pupil administrative
- 7 costs, the increase authorized by the commissioner shall not exceed
- 8 the cost of living or 2.5 percent, whichever is greater; or

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- (2) the prior year per pupil administrative cost limits for the district's region inflated by the cost of living or 2.5 percent, whichever is greater.
- d. (1) A district's general fund tax levy shall not exceed the district's adjusted tax levy as calculated pursuant to sections 3 and 4 of P.L.2007, c.62 (C.18A:7F-38 and 18A:7F-39).
  - (2) (Deleted by amendment, P.L.2007, c.260).
  - (3) (Deleted by amendment, P.L.2007, c.260).
  - (4) Any debt service payment made by a school district during the budget year shall not be included in the calculation of the district's adjusted tax levy.
  - (5) (Deleted by amendment, P.L.2007, c.260).
  - (6) (Deleted by amendment, P.L.2007, c.260).
- 22 (7) (Deleted by amendment, P.L.2004, c.73).
- 23 (8) (Deleted by amendment, P.L.2010, c.44)

P.L.2007, c.260 (C.18A:7F-46).

- 24 (9) Any district may submit at the annual school budget 25 election, in accordance with subsection c. of section 4 of 26 P.L.2007, c.62 (C.18A:7F-39), a separate proposal or proposals for 27 additional funds, including interpretive statements, specifically 28 identifying the program purposes for which the proposed funds 29 shall be used, to the voters, who may, by voter approval, authorize 30 the raising of an additional general fund tax levy for such purposes. 31 In the case of a district with a board of school estimate, one 32 proposal for the additional spending shall be submitted to the board 33 of school estimate. Any proposal or proposals submitted to the 34 voters or the board of school estimate shall not: include any 35 programs and services that were included in the district's prebudget 36 year net budget unless the proposal is approved by the 37 commissioner upon submission by the district of sufficient reason 38 for an exemption to this requirement; or include any new programs 39 and services necessary for students to achieve the thoroughness
  - The executive county superintendent of schools may prohibit the submission of a separate proposal or proposals to the voters or board of school estimate if he determines that the district has not implemented all potential efficiencies in the administrative operations of the district, which efficiencies would eliminate the need for the raising of an additional general fund tax levy.

standards established pursuant to subsection a. of section 4 of

(10) Notwithstanding any provision of law to the contrary, if a district proposes a budget with a general fund tax levy and equalization aid which exceed the adequacy budget, the following statement shall be published in the legal notice of public hearing on the budget pursuant to N.J.S.18A:22-28, posted at the public hearing held on the budget pursuant to N.J.S.18A:22-29, and printed on the sample ballot required pursuant to section 10 of P.L.1995, c.278 (C.19:60-10):

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"Your school district has proposed programs and services in addition to the core curriculum content standards adopted by the State Board of Education. Information on this budget and the programs and services it provides is available from your local school district."

- (11) Any reduction that may be required to be made to programs and services included in a district's prebudget year net budget in order for the district to limit the growth in its budget between the prebudget and budget years by its tax levy growth limitation as calculated pursuant to sections 3 and 4 of P.L.2007, c.62 (C.18A:7F-38 and 18A:7F-39), shall only include reductions to excessive administration or programs and services that are inefficient or ineffective.
- e. (1) Any general fund tax levy rejected by the voters for a proposed budget that includes a general fund tax levy and equalization aid in excess of the adequacy budget shall be submitted to the governing body of each of the municipalities included within the district for determination of the amount that should be expended notwithstanding voter rejection. In the case of a district having a board of school estimate, other than a Type II district with a board of school estimate in which the annual election is in November, the general fund tax levy shall be submitted to the board for determination of the amount that should be expended. governing body or bodies or board of school estimate, as appropriate, reduce the district's proposed budget, the district may appeal any of the reductions to the commissioner on the grounds that the reductions will negatively impact on the stability of the district given the need for long term planning and budgeting. In considering the appeal, the commissioner shall consider enrollment increases or decreases within the district; the history of voter approval or rejection of district budgets; the impact on the local levy; and whether the reductions will impact on the ability of the district to fulfill its contractual obligations. A district may not appeal any reductions on the grounds that the amount is necessary for a thorough and efficient education.
- (2) Any general fund tax levy rejected by the voters for a proposed budget that includes a general fund tax levy and equalization aid at or below the adequacy budget shall be submitted to the governing body of each of the municipalities included within the district for determination of the amount that should be expended

1 notwithstanding voter rejection. In the case of a district having a 2 board of school estimate, other than a Type II district with a board 3 of school estimate in which the annual election is in November, the general fund tax levy shall be submitted to the board for 4 5 Any reductions may be appealed to the determination. commissioner on the grounds that the amount is necessary for a 6 7 thorough and efficient education or that the reductions will 8 negatively impact on the stability of the district given the need for 9 long term planning and budgeting. In considering the appeal, the 10 commissioner shall also consider the factors outlined in paragraph 11 (1) of this subsection.

In addition, the municipal governing body or board of school estimate shall be required to demonstrate clearly to the commissioner that the proposed budget reductions shall not adversely affect the ability of the school district to provide a thorough and efficient education or the stability of the district given the need for long term planning and budgeting.

- (3) In lieu of any budget reduction appeal provided for pursuant to paragraphs (1) and (2) of this subsection, the State board may establish pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), an expedited budget review process based on a district's application to the commissioner for an order to restore a budget reduction.
- (4) When the voters, municipal governing body or bodies, board of education in the case of a school district in which the annual school election has been moved to November pursuant to subsection a. of section 1 of P.L.2011, c.202 (C.19:60-1.1), or the board of school estimate authorize the general fund tax levy, the district shall submit the resulting budget to the commissioner within 15 days of the authorization.
  - f. (Deleted by amendment, P.L.2007, c.260).
- g. (Deleted by amendment, P.L.2007, c.260).
- (cf: P.L.2013, c.280, s.1)

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- 3. Section 8 of P.L.1996, c.138 (C.18A:7F-8) is amended to read as follows:
- 37 8. The amounts payable to each school district and county 38 vocational school district pursuant to this act shall be paid by the 39 State Treasurer upon the certification of the commissioner and 40 warrant of the Director of the Division of Budget and Accounting. 41 Five percent of the appropriation for equalization aid, special 42 education categorical aid, preschool education aid, [security] health 43 and safety aid, transportation aid, adjustment aid, and any other aid 44 pursuant to P.L.2007, c.260 (C.18A:7F-43 et al.) shall be paid on 45 the eighth and twenty-second of each month from September through June. If a local board of education requires funds prior to 46 47 the first payment, the board shall file a written request with the 48 commissioner stating the need for the funds. The commissioner

shall review each request and forward for payment those for which need has been demonstrated.

Facilities funds shall be paid as required to meet due dates for payment of principal and interest. Each school district, county vocational school district, and county special services school district shall file an annual report regarding facilities payments to the commissioner. The report shall include the amount of interest bearing school debt, if any, of the municipality or district then remaining unpaid, together with the rate of interest payable thereon, the date or dates on which the bonds or other evidences of indebtedness were issued, and the date or dates upon which they fall due. In the case of a Type I school district, the board secretary shall secure the schedule of outstanding obligations from the clerk of the municipality.

(cf: P.L.2007, c.260, s.31)

- 4. Section 4 of P.L.2007, c.260 (C.18A:7F-46) is amended to read as follows:
- 4. a. The State Board of Education shall review and update the core curriculum content standards every five years. The standards shall ensure that all children are provided the educational opportunity needed to equip them for the role of citizen and labor market competitor.

The Commissioner of Education shall develop and establish, through the report issued pursuant to subsection b. of this section, efficiency standards which define the types of programs, services, activities, and materials necessary to achieve a thorough and efficient education.

- b. By September 1 of 2010 and by September 1 every three years thereafter, the Governor, after consultation with the commissioner, shall recommend to the Legislature through the issuance of the Educational Adequacy Report for the three school years to which the report is applicable:
- (1) the base per pupil amount based upon the core curriculum content standards established pursuant to subsection a. of this section;
  - (2) the per pupil amounts for full-day preschool;
- (3) the weights for grade level, county vocational school districts, at-risk pupils, bilingual pupils, and combination pupils;
- (4) the cost coefficients for [security] <u>health and safety</u> aid and transportation aid;
- (5) the State average classification rate for general special education services pupils and for speech-only pupils;
- (6) the excess cost for general special education services pupils and for speech-only pupils; and
  - (7) the extraordinary special education aid thresholds.
- The base per pupil amount, the per pupil amounts for full-day preschool, the excess costs for general special education services

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pupils and for speech-only pupils, and the cost-coefficients for Esecurity health and safety aid and transportation aid shall be adjusted by the CPI for each of the two school years following the first school year to which the report is applicable.

The amounts shall be deemed approved for the three successive fiscal years beginning from the subsequent July 1, unless between the date of transmittal and the subsequent November 30, the Legislature adopts a concurrent resolution stating that the Legislature is not in agreement with all or any specific part of the report. The concurrent resolution shall advise the Governor of the Legislature's specific objections to the report and shall direct the commissioner to submit to the Legislature a revised report which responds to those objections by January 1.

(cf: P.L.2007, c.260, s.4)

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- 5. Section 14 of P.L.2007, c.260 (C.18A:7F-56) is amended to read as follows:
- 14. **[**Security**]** <u>Health and safety</u> categorical aid for each school district and county vocational school district shall be calculated as follows:
- SA =  $((RE \times \$70) + (ARENR \times ARSA)) \times GCA$

22 where

- 23 RE means the school district's or county vocational school 24 district's resident enrollment;
  - ARENR means the district's number of at-risk pupils;
- ARSA means the at-risk [security] <u>health and safety</u> amount; and
- GCA is the geographic cost adjustment as developed by the commissioner.
- For the 2008-2009 through 2010-2011 school years the at-risk security health and safety amount shall be calculated as follows:
- for a district in which the concentration of at-risk pupils is less than 40% of resident enrollment, the at-risk [security] health and safety amount shall equal the district's (AR% x \$10.15 x 100); and
- for a district in which the concentration of at-risk pupils is equal to or greater than 40%, the at-risk [security] health and safety amount shall equal \$406.
- The [security] health and safety cost coefficients, \$70, \$10.15 and
- 39 \$406, used to determine the [security] health and safety amount,
- 40 shall be adjusted by the CPI in the 2009-2010 and 2010-2011
- 41 school years as required pursuant to subsection b. of section 4 of
- 42 this act. For subsequent school years, the cost coefficients shall be
- 43 established in the Educational Adequacy Report, with adjustments
- 44 by the CPI for each of the two school years following the first
- 45 school year to which the report is applicable.
- 46 (cf: P.L.2007, c.260, s.14)

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6. Section 16 of P.L.2007, c.260 (C.18A:7F-58) is amended to read as follows:

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3 16. a. (1) For the 2008-2009 school year, each school district and county vocational school district shall receive adjustment aid in 4 5 such amount as to ensure that the district receives the greater of the 6 amount of State aid calculated for the district pursuant to the 7 provisions of this act or the State aid received by the district for the 8 2007-2008 school year multiplied by 102%. The State aid received 9 by the district for the 2007-2008 school year shall include the 10 following aid categories: Core Curriculum Standards Aid, 11 Supplemental Core Curriculum Standards Aid, 12 Opportunity Aid, Above Average Enrollment Growth Aid, High Expectations Instructional 13 for Learning Proficiency Aid, 14 Supplement Aid, Demonstrably Effective **Program** 15 Stabilization Aid, Supplemental Stabilization Aid, Adult and 16 Postsecondary Education Grants, Bilingual Education Aid, Special 17 Education Aid, County Vocational Program Aid, Transportation 18 Aid, School Choice Aid, Consolidated Aid, Additional Formula 19 Aid, Full-day Kindergarten Supplemental Aid, Targeted-At-Risk 20 Aid, Abbott-Bordered District Aid, Nonpreschool ECPA, 21 Extraordinary Special Education Aid paid in 2006-2007, and Aid 22 for Enrollment Adjustments, taking into consideration the June 23 2008 payment made in July 2008.

- (2) For the 2009-2010 and 2010-2011 school years a school district or county vocational school district shall receive adjustment aid in such amount as to ensure that the district receives the greater of the amount of State aid calculated for the district pursuant to the provisions of this act or the State aid, other than educational adequacy aid, received by the district for the 2008-2009 school year.
- (3) For the 2011-2012 school year through the 2017-2018 school year, a school district or county vocational school district that does not have a decline in its weighted enrollment, adjusted for bilingual education pupils and at-risk pupils, between the 2008-2009 school year and the budget year that is greater than 5% shall receive adjustment aid in such amount as to ensure that the district receives the greater of the amount of State aid calculated pursuant to the provisions of this act or the State aid, other than educational adequacy aid, received by the district for the 2008-2009 school year.
- (4) For the 2011-2012 school year through the 2017-2018 school year, a school district or county vocational school district that has a decline in its weighted enrollment, adjusted for bilingual education pupils and at-risk pupils, between the 2008-2009 school year and the budget year that is greater than 5% shall have its adjustment aid reduced in an amount equal to the district's 2008-2009 per pupil adjustment aid amount multiplied by the decline in its resident enrollment that is greater than 5%.

- 1 b. In the case of a school district that received education 2 opportunity aid in the 2007-2008 school year and for which the sum 3 of the district's 2007-2008 State aid under the State aid categories 4 listed under paragraph (1) of subsection a. of this section and 5 general fund local levy is less than the sum of the district's adequacy budget as calculated pursuant to section 9 of this act, 6 7 special education categorical aid calculated pursuant to section 13 8 of this act, and [security] health and safety aid calculated pursuant 9 to section 14 of this act, the district shall receive educational 10 adequacy aid if it meets the following criteria:
  - (1) the district fails to meet educational adequacy standards as determined by the commissioner; or

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- (2) the district is located in a municipality with an equalized total tax rate that is greater than 130% of the Statewide average equalized total tax rate; or
- (3) the district has an equalized school tax rate that is greater than 110% of the Statewide average equalized school tax rate and is located in a municipality with an equalized total tax rate that is greater than 120% of the Statewide average equalized total tax rate; and
- (4) the district will not meet adequacy in the 2008-2009 school year based on the State aid increase received by the district for that school year.
- An eligible district shall receive educational adequacy aid for the 2008-2009 school year in accordance with the following formula:
  - $EA \text{ aid} = ((AB + SE + SA) (GFL + A08)) \times .33) ls SA;$
- where AB is the district's adequacy budget as calculated pursuant to section 9 of this act;
- SE is the district's special education categorical aid calculated pursuant to section 13 of this act;
- SA is the district's **[**security**]** <u>health and safety</u> categorical aid calculated pursuant to section 14 of this act;
- 33 GFL is the district's prebudget year general fund local levy;
- A08 is the sum of the district's 2007-2008 State aid under the State aid categories listed under paragraph (1) of subsection a. of this section;
  - ls is the district's prebudget year general fund local levy, multiplied by 4% in the case of a district which meets the criteria of paragraph (2) or paragraph (3) of this subsection, or in the case of a district which does not meet those criteria multiplied by 6%; and
- SA is any increase in State aid between the prebudget and budget years.
- An eligible district shall receive educational adequacy aid for the 2009-2010 school year in accordance with the following formula:
- 45 EA aid =  $((AB (GFL + PEQAID)) \times .50)$  -ls; and
- An eligible district shall receive educational adequacy aid for the
- 47 2010-2011 school year in accordance with the following formula:

1 EA aid = (AB - (GFL + PEQAID) - ls)

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3 AB is the district's adequacy budget as calculated pursuant to 4 section 9 of this act;

GFL is the district's prebudget year general fund local levy;

PEQAID is the district's prebudget year equalization aid calculated pursuant to section 11 of this act; and

ls is the district's prebudget year general fund local levy, multiplied by 4% in the case of a district which meets the criteria of paragraph (2) or paragraph (3) of this subsection, or in the case of a district which does not meet those criteria multiplied by 8% for the 2009-2010 school year and by 10% for the 2010-2011 school year;

For the 2011-2012 school year and for each school year thereafter, the district shall receive the amount of educational adequacy aid that the district received in the 2010-2011 school year. (cf: P.L.2018, c.67, s.7)

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- 7. Section 3 of P.L.2018, c.67 (C.18A:7F-67) is amended to read as follows:
  - 3. As used in P.L.2018, c.67 (C.18A:7F-67 et al.):

"State aid differential" means the difference between the sum of a school district's or county vocational school district's allocations of equalization aid, special education categorical aid, [security] health and safety categorical aid, transportation aid, adjustment aid, and non-SFRA aids in the prebudget year, and the sum of equalization aid, special education categorical aid, [security] health and safety categorical aid, and transportation aid as calculated for the budget year in each category in accordance with the provisions of sections 11, 13, 14, and 15 of P.L.2007, c.260 (C.18A:7F-53, C.18A:7F-55, C.18A:7F-56, and C.18A:7F-57), respectively.

"Non-SFRA aids" means the sum of supplemental enrollment growth aid, per pupil growth aid, PARCC readiness aid, professional learning community aid, under adequacy aid, and host district support aid received by a school district in the prebudget

36 (cf: P.L.2018, c.67, s.3)

- 38 8. Section 4 of P.L.2018, c.67 (C.18A:7F-68) is amended to 39 read as follows:
- 40 4. a. Notwithstanding the provisions of P.L.2007, c.260 41 (C.18A:7F-43 et al.) or any other law to the contrary, in the 2019-42 2020 through 2024-2025 school years, a school district or county 43 vocational school district in which the State aid differential 44 calculated is negative shall receive State school aid in an amount 45 equal to the sum of the district's State aid in the prior school year 46 plus the district's proportionate share of the sum of any increase in 47 State aid included in the annual appropriations act for that fiscal 48 year and the total State aid reduction pursuant to subsection b. of

- 1 this section based on the district's State aid differential as a percent
- 2 of the Statewide total State aid differential among all school
- 3 districts and county vocational school districts for which the State
- 4 aid differential is negative. Any increase in State aid pursuant to
- 5 this subsection shall first be allocated to equalization aid, followed
- by special education categorical aid, [security] health and safety 6
- 7 categorical aid, and transportation aid, except that no category shall
- 8 exceed the total amount as calculated in accordance with the
- 9 provisions of sections 11, 13, 14, and 15 of P.L.2007, c.260
- 10 (C.18A:7F-53, C.18A:7F-55, C.18A:7F-56, and C.18A:7F-57),
- 11 respectively.
- 12 b. Except as provided pursuant to subsection c. of this section,
- 13 and notwithstanding the provisions of P.L.2007, c.260 (C.18A:7F-
- 14 43 et al.) or any other law to the contrary, in the 2019-2020 through
- 15 2024-2025 school years, a school district or county vocational
- 16 school district in which the State aid differential is positive shall
- 17 receive State school aid in an amount equal to the district's State aid
- 18 in the prior school year minus a percent of the State aid differential
- 19 according to the following schedule:
  - (1) 13 percent in the 2019-2020 school year;
- 21 (2) 23 percent in the 2020-2021 school year;
- 22 (3) 37 percent in the 2021-2022 school year;
  - (4) 55 percent in the 2022-2023 school year;
- 24 (5) 76 percent in the 2023-2024 school year; and
- 25 (6) 100 percent in the 2024-2025 school year.
- 26 (1) An SDA district that is located in a municipality in
- which the equalized total tax rate is greater than the Statewide 27
- 28 average equalized total tax rate for the most recent available
- 29 calendar year and is spending below adequacy as calculated 30
- pursuant to section 1 of P.L.2018, c.67 (C.18A:7F-70) shall not be
- 31 subject to a reduction in State aid pursuant to subsection b. of this
- 32 section.

- 33 (2) An SDA district that is located in a municipality in which
- 34 the equalized total tax rate is greater than the Statewide average
- 35 equalized total tax rate for the most recent available calendar year
- 36 and is spending above adequacy as calculated pursuant to section 1
- 37 of P.L.2018, c.67 (C.18A:7F-70) shall be subject to a reduction not
- 38 to exceed the amount by which the district is spending above
- 39 adequacy multiplied by the corresponding percentage included in
- 40 subsection b. of this section.
- 41 (3) A school district, other than an SDA district, that is located
- 42 in a municipality in which the equalized total tax rate is at least 10
- 43 percent greater than the Statewide average equalized total tax rate
- 44 for the most recent available calendar year and is spending at least 45 10 percent below adequacy as calculated pursuant to section 1 of
- 46 P.L.2018, c.67 (C.18A:7F-70) shall not be subject to a reduction in
- 47 State aid pursuant to subsection b. of this section.

- d. Any decrease in State aid pursuant to subsection b. or c. of this section shall first be deducted from a school district's or county vocational school district's allotment of adjustment aid. Any additional reduction shall be deducted from the school district's or county vocational school district's allotment of non-SFRA aids, followed by equalization aid, special education categorical aid, [security]] health and safety aid, and transportation aid.
  - e. Any remaining adjustment aid or non-SFRA aids shall be reallocated to other State aid categories in a manner to be determined by the commissioner.

11 (cf: P.L.2018, c.67, s.4)

- 9. Section 1 of P.L.2018, c.67 (C.18A:7F-70) is amended to read as follows:
  - 1. For the purpose of determining whether a school district or county vocational school district is spending above or below adequacy, the commissioner shall compare the sum from the prebudget year its equalization aid calculated pursuant to section 11 of P.L.2007, c.260 (C.18A:7F-53), special education categorical aid as calculated pursuant to section 13 of P.L.2007, c.260 (C.18A:7F-55), [security] health and safety categorical aid as calculated pursuant to section 14 of P.L.2007, c.260 (C.18A:7F-56), and the general fund tax levy with the district's adequacy budget, as calculated pursuant to section 9 of P.L.2007, c.260 (C.18A:7F-51), special education categorical aid as calculated pursuant to section 13 of P.L.2007, c.260 (C.18A:7F-55), and [security] health and
- 28 P.L.2007, c.260 (C.18A:7F-56).

29 (cf: P.L.2018, c.67, s.1)

- 10. N.J.S.18A:22-8 is amended to read as follows:
- 18A:22-8. The budget shall be prepared in such detail and upon such forms as shall be prescribed by the commissioner and to it shall be annexed a statement so itemized as to make the same readily understandable, in which shall be shown:

safety categorical aid as calculated pursuant to section 14 of

- a. In tabular form there shall be set forth the following:
- (1) The total expenditure for each item for the preceding school year, the amount appropriated for the current school year adjusted for transfers as of February 1 of the current school year, and the amount estimated to be necessary to be appropriated for the ensuing school year, indicated separately for each item as determined by the commissioner;
- (2) The amount of the surplus account available at the beginning of the preceding school year, at the beginning of the current school year, and the amount anticipated to be available for the ensuing school year;
- 47 (3) The amount of revenue available for budget purposes for the 48 preceding school year, the amount available for the current school

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- 1 year as of February 1 of the current school year, and the amount
- 2 anticipated to be available for the ensuing school year in the
- 3 following categories:
- 4 (a) Total to be raised by local property taxes
- 5 (b) Total State aid
- 6 (i) Equalization aid
- 7 (ii) Special education categorical aid
- 8 (iii) Transportation aid
- 9 (iv) Preschool education aid
- 10 (v) [Security] Health and safety aid
- 11 (vi) Adjustment aid
- 12 (vii) Other (detailed at the discretion of the commissioner)
- 13 (c) Total federal aid
- 14 (i) Elementary and Secondary Education Act of 1965 (20
- 15 U.S.C.s.2701 et seq.)
- 16 (ii) Students with disabilities
- 17 (iii) Impact Aid
- 18 (iv) Vocational
- 19 (v) Other (detailed at the discretion of the commissioner)
- 20 (d) Other sources (detailed at the discretion of the 21 commissioner).
- 22 b. (Deleted by amendment, P.L.1993, c.117).
- c. In the event that the total expenditure for any item of
- 24 appropriation is equal to \$0.00 for: (1) the preceding school year,
- 25 (2) the current school year, and (3) the amount estimated to be
- 26 necessary to be appropriated for the ensuing school year, that item
- shall not be required to be published pursuant to N.J.S.18A:22-11.
- d. The instruction function of the budget shall be divided at a minimum into elementary (K-5), middle school (6-8), and high
- 30 school (9-12) cost centers, each of which shall be further divided by
- 31 the core curriculum content areas. The commissioner shall phase in
- 32 these requirements as soon as practicable.
- e. The budget as adopted for the school year pursuant to
- 34 section 5 of P.L.1996, c.138 (C.18A:7F-5) shall be provided for
- 35 public inspection on the school district's Internet site, if one exists,
- and made available in print in a "user-friendly" format using plain
- 37 language. The Commissioner of Education shall promulgate a
- 38 "user-friendly," plain language budget summary format for the use
- 39 of school districts for this purpose.
- 40 (cf: P.L.2017, c.131, s.22)

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- 42 11. Section 12 of P.L.1995, c.426 (C.18A:36A-12) is amended 43 to read as follows:
  - 12. a. (Deleted by amendment, P.L.2007, c.260).
- b. The school district of residence shall pay directly to the
- 46 charter school for each student enrolled in the charter school who
- 47 resides in the district an amount equal to 90% of the sum of the
- 48 budget year equalization aid per pupil, the prebudget year general

- 1 fund tax levy per pupil inflated by the CPI rate most recent to the
- 2 calculation, and the employer payroll tax per pupil that is
- 3 transferred to the school district pursuant to subsection d. of section
- 4 1 of P.L.2018, c.68. In addition, the school district of residence
- shall pay directly to the charter school the [security] health and
  - safety categorical aid attributable to the student and a percentage of
- 7 the district's special education categorical aid equal to the
- 8 percentage of the district's special education students enrolled in the
- 9 charter school and, if applicable, 100% of preschool education aid.
- The district of residence shall also pay directly to the charter school any federal funds attributable to the student.
  - c. (Deleted by amendment, P.L.2007, c.260).
  - d. Notwithstanding the provisions of subsection b. of this section, in the case of a student who was not included in the district's projected resident enrollment for the school year, the State shall pay 100% of the amount required pursuant to subsection b. of this section for the first year of the student's enrollment in the charter school.
  - e. The State shall make payments required pursuant to subsection d. of this section directly to the charter school.
  - (cf: P.L.2018, c.68, s.2)

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- 12. Section 7 of P.L.2011, c.176 (C.18A:36C-7) is amended to read as follows:
- 7. a. Notwithstanding that a renaissance school project shall be constructed, controlled, operated, and managed by a nonprofit entity, and not the local board of education, it shall be a public school. However nothing contained herein shall restrict a for-profit entity from constructing a renaissance school project, or a renaissance school project from being located on land owned by a for-profit entity. Further, the renaissance school project shall be authorized to retain any business entity, however formed, whose primary purpose is the staffing, operation, and management of elementary schools, middle schools, or high schools in the United States, except as it relates to instructional services.
- b. The costs of a renaissance school project including, but not limited to, the costs of land acquisition, site remediation, site development, design, construction, and any other costs required to place into service the school facility or facilities constituting the renaissance school project shall be at the sole expense of the nonprofit entity. The nonprofit entity may use State funds to pay for a lease, debt service, or mortgage for any facility constructed or otherwise acquired.
- c. Notwithstanding the provisions of the "Educational Facilities Construction and Financing Act," P.L.2000, c.72 (C.18A:7G-1 et al.), or any other law or regulation to the contrary, there shall be no State share for the costs of a renaissance school project.

- d. Notwithstanding the provisions of the "Public School Contracts Law," N.J.S.18A:18A-1 et seq., or any other law or regulation to the contrary, the nonprofit entity or any entity acting in cooperation with a renaissance school project shall not be subject to public bidding for goods and services, and any contracts entered into by the nonprofit entity shall not be deemed public contracts or public works; except that any contract entered into by the nonprofit entity or any entity acting in cooperation with a renaissance school project shall be deemed a public work for the purposes of the "New Jersey Prevailing Wage Act," P.L.1963, c.150 (C.34:11-56.25 et seq.), and subject to the applicable provisions of that act.
  - e. The renaissance school district in which a renaissance school project is located shall pay to the nonprofit entity in 12 equal monthly installments an amount per pupil equal to 95% of the district's per pupil expenditure. In addition the 12 monthly installments shall include the [security] health and safety categorical aid attributable to the student, a percentage of the district's special education categorical aid equal to the percentage of the district's special education students enrolled in the renaissance school project, and if applicable 100% of preschool education aid. The district shall also pay directly to the renaissance school project any federal funds attributable to the student.
  - f. Renaissance school projects shall be required to meet the same testing and academic performance standards established by law and regulation for public school students, and shall meet any additional testing and academic performance standards established by the nonprofit entity and approved by the commissioner.
  - g. The nonprofit entity shall have complete discretion in naming the renaissance school project. The nonprofit entity may not realize a net profit from its operation of a renaissance school project. A private or parochial school shall not be eligible for renaissance school project status.
  - h. A nonprofit entity shall operate a renaissance school project in accordance with the contract entered into pursuant to section 6 of this act, the provisions of this act, and the laws and regulations that govern charter schools which are not inconsistent with this act.

37 (cf: P.L.2014, c.61, s.3)

- 13. Section 3 of P.L.2016, c.49 (C.18A:58-37.10) is amended to read as follows:
- 3. A board of education of a school district in which a nonpublic school is located shall within the limit of funds appropriated or otherwise made available, adopt policies and procedures to provide the students who are enrolled full-time in the nonpublic school with security services, equipment, or technology, or mental health services to help ensure a healthy, safe, and secure school environment.
- 48 (cf: P.L.2016, c.49, s.3)

- 1 14. Section 4 of P.L.2016, c.49 (C.18A:58-37.11) is amended 2 to read as follows:
  - 4. a. The superintendent of schools of each school district in which a nonpublic school is located shall confer annually with the chief school administrator of each of the nonpublic schools to:
  - (1) advise the nonpublic school of the limit of funds available pursuant to this act;
  - (2) agree upon the security services, equipment, or technology, or mental health services to be provided to the students of the nonpublic school, within the limit of the funds that are available; and
  - (3) agree on the date when the board of education will meet to approve how the security services, equipment, or technology, or mental health services will be provided to the students of the nonpublic school.
  - b. In the event that the superintendent of schools and the chief school administrator of the nonpublic school are unable to agree regarding the security services, equipment, or technology, or mental health services to be provided for a safe and secure school environment, the executive county superintendent shall be consulted to determine the security services, equipment, or technology, or mental health services to be provided. The decision of the executive county superintendent shall be final.

24 (cf: P.L.2016, c.49, s.4)

- 15. Section 5 of P.L.2016, c.49 (C.18A:58-37.12) is amended to read as follows:
- 5. a. The support limit for the 2016-2017 school year shall be \$75. For each school year thereafter the commissioner shall determine the support limit by multiplying the support limit for the previous school year times the sum of 1.0 plus the average annual percentage increase in the consumer price index for the New York and Philadelphia areas during the fiscal year preceding the prebudget year as reported by the United States Department of Labor.
- b. On or before November 5 of each year, each board of education shall forward to the Commissioner of Education an estimate of the cost of providing, during the next school year, the security services, equipment, or technology, or mental health services required pursuant to this act and the number of students attending nonpublic schools located within the district as of the last school day of October of the current school year. The commissioner shall provide State aid to each school district in an amount equal to the number of nonpublic school students within the district identified by the district on or before November 5 multiplied by the State support limit. In the event that the expenditure incurred by any district is less than the amount of State aid received, the district shall refund the unexpended State aid after the

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- 1 completion of the school year, but not later than December 1 of the following school year.
- 3 c. If in any year, the amount of State aid appropriated is 4 insufficient to carry out in full the provisions of this act, the
- 5 commissioner shall apportion that appropriation among the districts
- 6 in proportion to the State aid each district would have received had
- 7 the full amount of State aid been appropriated. In any year, no
- 8 district shall be required to make expenditures for the purposes of
- 9 this act in excess of the amount of State aid received for these 10 purposes.
- 11 (cf: P.L.2016, c.49, s.5)

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- 16. Section 6 of P.L.2016, c.49 (C.18A:58-37.13) is amended to read as follows:
- 6. A school district and a nonpublic school and their employees shall be immune from civil liability in the provision of security services, equipment, or technology, or mental health services pursuant to the provisions of this act, except for actions that constitute gross negligence or willful misconduct.
- 20 (cf: P.L.2016, c.49, s.6)

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- 22 17. Section 7 of P.L.2016, c.49 (C.18A:58-37.14) is amended 23 to read as follows:
- to read as follows:
  7. The State Board of Education shall promulgate rules
- pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the provisions of this act in a
- 26 (C.52:14B-1 et seq.), to effectuate the provisions of this act in a manner that comports with the provisions of the State and federal
- 28 Constitutions, including a list of allowable expenditures for security
- 29 services, equipment, or technology, or mental health services to
- 30 ensure a <u>healthy</u>, safe, and secure school environment for nonpublic
- 31 school students.32 (cf: P.L.2016, c.49, s.7)

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18. This act shall take effect immediately.

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#### **STATEMENT**

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- This bill changes all references of security aid to health and safety aid in the "School Funding Reform Act of 2008," P.L.2007, c.260 (C.18A:7F-43 et al.), and related statutes to reflect that a secure school also includes students' mental health and wellbeing.
- This bill also amends the "Secure Schools for All Children Act,"
- 44 P.L.2016, c.49 (C.18A:58-37.8 et seq.), to provide that the aid
- allocated for the provision of security services to nonpublic schools
- 46 under the statute may also be used for mental health services. The
- 47 bill also makes various other changes to the law to reflect this
- 48 change.