

ASSEMBLY, No. 2443

STATE OF NEW JERSEY

INTRODUCED OCTOBER 21, 1996

By Assemblyman GARRETT

1 AN ACT establishing a tuition voucher pilot program and making an
2 appropriation.

3

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

6

7 1. The Legislature finds and declares that:

8 a. School tuition vouchers may serve as a vehicle for education
9 reform by providing all parents with the ability to select the school and
10 education program which best suits their children's individual needs.
11 Increasing parental involvement and satisfaction with their children's
12 educational program and environment will have a positive effect on the
13 education of those children. In addition, school choice will provide an
14 incentive to all schools, both public and private, to improve their
15 educational programs and services and become more efficient and
16 innovative; and

17 b. In order to responsibly assess the merits of tuition vouchers, a
18 limited pilot program should be established which incorporates
19 adequate controls and is subject to meaningful evaluation.

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21 2. For the purposes of this act, unless the context clearly requires
22 a different meaning:

23 "Eligible school district" means any school district which has been
24 approved by the Commissioner of Education to participate in the pilot
25 program.

26 "Parental Information Center" means an office in each eligible
27 school district which disseminates and receives tuition vouchers and
28 provides interested parents with information describing educational
29 options available for their children under this act.

30 "Participating nonpublic school" means a nonpublic elementary or
31 secondary school which:

32 a. elects to receive voucher pupils;

33 b. charges tuition or fees for its services;

34 c. was established before September 1995;

35 d. is located within the same county as the eligible school district;

36 e. has staff and students who are currently designated by the
37 Department of Education as eligible to receive publicly funded

1 services;

2 f. complies with all State and federal standards applicable to
3 nonpublic schools; and

4 g. complies with all other requirements imposed by this act.

5 "Participating public school" means any public school within the
6 same county as an eligible school district, which elects to receive
7 voucher pupils pursuant to N.J.S. 18A:38-3. "Participating public
8 school" also means any public school within the eligible school district
9 which has been designated by the eligible school district to participate
10 in the pilot program pursuant to procedures established by the eligible
11 school district.

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13 3. The Commissioner of Education shall establish a tuition voucher
14 pilot program in each eligible school district beginning in the first full
15 school year following the effective date of this act. The pilot program
16 shall allow children residing in an eligible school district to attend a
17 participating nonpublic school or a participating public school and
18 have the tuition paid, in full or in part, with a school tuition voucher.
19 The tuition voucher redemption shall be based solely on the parent's
20 or guardian's decision to enroll the child in a nonpublic or public
21 participating school.

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23 4. a. The municipal governing body in a Type I school district, the
24 local board of education in a Type II school district, or the State
25 district superintendent in a State-operated school district shall file an
26 application with the Department of Education in order to participate
27 in the pilot program. The commissioner shall require each application
28 to include eligibility criteria for tuition voucher redemption which
29 shall take into account the financial ability of the pupil's family to meet
30 the cost of tuition at the nonpublic or public participating school.

31 b. There shall be a maximum of one eligible school district per
32 county. The commissioner shall appoint an eligibility review panel to
33 consider applications and make recommendations to him for the final
34 decision. The panel shall base its recommendations on, but not be
35 limited to, the following criteria:

36 (1) merit as a pilot site;

37 (2) net cost to the district or State;

38 (3) establishment of a representative sample of districts; and

39 (4) practical capacity of the participating schools.

40 Prior to making a final recommendation to the commissioner on
41 an application, the panel may suggest that the district modify the
42 application.

43 c. During the pilot program, the commissioner may terminate the
44 pilot program in an eligible school district at the end of any school
45 year, at the request of the entity that applied to participate in the pilot
46 program pursuant to this section and upon recommendation of the

1 eligibility review panel.

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3 5. a. In each year of the pilot program, parents and guardians of
4 children residing in an eligible school district, in the grade levels and
5 schools determined by the commissioner pursuant to the district's
6 application and the eligibility panel's review, shall be provided tuition
7 vouchers by the district's Parental Information Center.

8 b. The amount of the tuition voucher in each eligible school
9 district shall be no more than \$2,500 for pupils in grades kindergarten
10 through 8 and \$3,500 for pupils in grades 9 through 12. However, the
11 tuition voucher given to the parent or guardian of a pupil pursuant to
12 this section shall not exceed the tuition rate established by the
13 participating school for the year of attendance.

14 c. The parent or guardian shall submit, by June 1 of the preceding
15 school year or such other date as the commissioner deems appropriate,
16 the tuition voucher along with evidence that the pupil is enrolled in a
17 participating school to the Parental Information Center in the eligible
18 school district, which shall forward it to the Department of Education.
19 Except as provided in subsection d. of this section, the tuition voucher
20 shall be redeemed through checks from the department made payable
21 to the parent or guardian. The department shall issue an initial check
22 in an amount equal to one-fifth of the voucher amount on September
23 1. An additional check equal to one-fifth of the tuition voucher
24 amount shall be forwarded to the parent or guardian on the fifteenth
25 day of October, December, February and April upon proof of tuition
26 payment and continued attendance. If a voucher pupil ceases to attend
27 the participating school, the parent or guardian shall immediately
28 notify the Parental Information Center and all further installment
29 payments shall be withheld. The parent or guardian shall be
30 responsible for full payment of tuition. For economically
31 disadvantaged voucher pupils attending the participating school, the
32 participating school may waive the amount of tuition which exceeds
33 the tuition voucher.

34 d. If a tuition voucher is redeemed in order to attend a public
35 school within the eligible school district, the department shall not issue
36 a check to the parent or guardian and no further tuition shall be
37 required for attendance. If a tuition voucher is redeemed in order to
38 attend a participating public school outside of the district, the
39 department shall not issue a check to the parent or guardian but shall
40 credit the tuition voucher amount to the participating school on behalf
41 of the pupil, and the parent or guardian shall be responsible for the
42 difference in tuition.

43 e. If a parent or guardian fails to choose a school pursuant to this
44 section, the child shall be enrolled in the public school of the district
45 of residence.

46 f. Pupils using a tuition voucher to attend a nonpublic school or

1 public school outside of a eligible school district shall not be included
2 in the resident enrollment of the eligible school district for the school
3 year of transfer and each school year thereafter during which the pupil
4 is attending the nonpublic school or the public school outside of the
5 eligible school district. The commissioner shall make the necessary
6 adjustments to the resident enrollment and State aid entitlement of the
7 eligible school district in order to account for voucher pupils attending
8 a participating school under this act.

9 g. The parent or guardian shall provide the commissioner with the
10 information necessary to conduct the evaluation and reporting required
11 pursuant to the provisions of this act, including requesting and making
12 available the voucher pupil's records such as those concerning
13 attendance and academic achievement. If the parent or guardian
14 refuses to provide the information, the department is authorized to
15 prohibit further participation in the pilot program by the parent or
16 guardian.

17 h. Each Parental Information Center shall make reasonable efforts
18 to notify the public of all requirements necessary for participation in
19 the pilot program established pursuant to this act.

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21 6. Funds provided to a parent or guardian pursuant to this act shall
22 not be considered income to the recipient for State income tax
23 purposes.

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25 7. The commissioner is authorized to take such steps as may be
26 necessary to recapture from the parent or guardian of a voucher pupil
27 any funds provided under this act which are not used to pay tuition at
28 the participating school, plus a penalty equal to two times the amount
29 of the misapplied funds. The commissioner is authorized to institute
30 proceedings under "the penalty enforcement law," N.J.S. 2A:58-1 et
31 seq., in order to recapture the funds not expended in accordance with
32 this act plus the amount of any penalty.

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34 8. During the pilot program the commissioner shall not impose any
35 additional requirements beyond those contained in this act upon
36 participating nonpublic schools unless those requirements also are
37 imposed upon nonparticipating nonpublic schools under State or
38 federal law.

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40 9. Transportation shall be provided to voucher pupils attending a
41 participating nonpublic school or a public school outside of the eligible
42 school district pursuant to the provisions of N.J.S. 18A:39-1
43 applicable to nonpublic school transportation.

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45 10. a. An evaluation shall be conducted to determine the
46 effectiveness of the pilot program. The evaluation shall focus upon

1 attendance rates, dropout and graduation rates, parental and student
2 satisfaction, parental involvement, and student academic achievement.
3 Statistics on the socioeconomic status of voucher recipients shall also
4 be kept for academic purposes. The evaluation, and accumulation of
5 data, shall be performed by the commissioner, with the assistance of
6 an evaluation and research advisory committee appointed by the
7 commissioner.

8 b. On or before January 1st of each year, the commissioner shall
9 make a status report to the Governor and the Legislature on the
10 evaluation of the pilot program.

11 c. The commissioner shall recommend to the Governor and the
12 Legislature by January 1 of the last school year of the pilot program,
13 whether the tuition voucher pilot program should be continued,
14 expanded, modified or terminated.

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16 11. There is appropriated from the General Fund the sum of
17 \$5,500,000 to the Department of Education to effectuate the purposes
18 of this act. This amount shall be in addition to any State aid to which
19 a school district may be entitled pursuant to P.L.1990, c.52
20 (C.18A:7D-1 et al.) or any other law. The Department of Education
21 shall seek other sources of public funding and may accept private
22 contributions. The applicant district or municipality is authorized to
23 contribute local funds to supplement the pilot program in the district.

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25 12. This act shall take effect immediately and shall expire on June
26 30th of the fifth full school year following enactment.

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STATEMENT

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31 This bill establishes a five-year tuition voucher pilot program that
32 will allow children residing in an eligible school district to attend a
33 participating nonpublic school or a participating public school and
34 have the tuition paid, in full or in part, with a school tuition voucher.

35 Pursuant to the bill, the municipal governing body in a Type I
36 school district, the local board of education in a Type II school
37 district, or the State district superintendent in a State-operated school
38 district will file applications with the Department of Education in
39 order to participate in the pilot program as an eligible school district.
40 There will be a maximum of one eligible school district per county.
41 An eligibility review panel, appointed by the Commissioner of
42 Education, will consider applications and make recommendations to
43 the commissioner for final decision.

44 The bill provides that a pupil who is in a grade level and school
45 within an eligible school district that has been determined by the
46 commissioner as eligible to participate in the pilot program, will be

1 able to choose to attend either a participating nonpublic school or a
2 participating public school. A participating nonpublic school will be
3 located in the same county as the eligible school district. A
4 participating public school is defined as a public school that elects to
5 receive vouchers and is located in the same county as the eligible
6 school district or a public school within the eligible school district
7 which has been designated by the eligible school district to participate
8 pursuant to procedures established by the eligible school district. The
9 vouchers will be provided to the parents or guardians of the pupils by
10 the eligible school district's Parental Information Center, one of which
11 will be located in each eligible school district. The amount of the
12 tuition voucher will be no more than \$2,500 for pupils in grades
13 kindergarten through 8 and \$3,500 for pupils in grades 9 through 12,
14 however, in no case will the voucher exceed the tuition rate
15 established by the participating school.

16 The parent or guardian will submit the voucher along with
17 evidence that the pupil is enrolled in a participating school to the
18 Parental Information Center in the eligible school district, which will
19 forward it to the department. In the case of a pupil attending a
20 participating nonpublic school, the voucher will be redeemed through
21 checks from the department to the parent or guardian. The
22 department will issue five checks, each equal to one-fifth of the
23 voucher amount, in September, October, December, February and
24 April of the school year, upon proof of tuition payment and continued
25 attendance.

26 If a voucher is redeemed in order to attend a public school within
27 the eligible school district, the department will not issue a check to the
28 parent or guardian and no further tuition will be required for
29 attendance. If a voucher is redeemed in order to attend a participating
30 public school outside of the district, the department will not issue a
31 check to the parent or guardian but will credit the voucher amount to
32 the participating school on behalf of the pupil, and the parent or
33 guardian will be responsible for the difference in tuition.

34 Pupils using a tuition voucher to attend a nonpublic school or
35 public school outside of a eligible school district will not be included
36 in the resident enrollment of the eligible school district for the school
37 year of transfer and each school year thereafter during which the pupil
38 is attending the nonpublic school or the public school outside of the
39 eligible school district. The commissioner will adjust the resident
40 enrollment and State aid entitlement of the eligible school district in
41 order to account for pupils attending a participating school.

42 The bill provides for an evaluation of the pilot program to
43 determine its effectiveness, performed by the commissioner with the
44 assistance of an evaluation and research advisory committee appointed
45 by him. The evaluation will focus on attendance rates, dropout and
46 graduation rates, parental and student satisfaction, parental

1 involvement, and student academic achievement. On or before January
2 1st of each year, the commissioner will make a status report to the
3 Governor and the Legislature on the evaluation. The commissioner
4 will also recommend to the Governor and the Legislature by January
5 1 of the last school year of the pilot program, whether the tuition
6 voucher pilot program should be continued, expanded, modified or
7 terminated.

8 The bill provides a \$5.5 million appropriation to the Department of
9 Education to effectuate the purposes of the bill. The department is
10 also required to seek other sources of public funding and is permitted
11 to accept private contributions.

12 The bill would become effective immediately and expire on June
13 30th of the fifth full school year following enactment.

14 This bill is the product of the Governor's Advisory Panel on School
15 Vouchers, which submitted its proposed legislation to implement a
16 tuition school voucher pilot program in January, 1996.

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21 Establishes a five-year tuition voucher pilot program and appropriates
22 \$5.5 million.