

[First Reprint]
ASSEMBLY, No. 2741

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 27, 1997

By Assemblymen COLLINS, ROCCO, Stuhltrager,
Garcia and Stanley

1 AN ACT concerning State aid for public school districts, ¹amending
2 and¹ supplementing P.L.1996, c.138 and making an appropriation.

3

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

6

7 1. ¹(New section)¹ Notwithstanding any provision of P.L.1996,
8 c.138 (C.18A:7F-1 et seq.) or any rule or regulation promulgated
9 pursuant thereto to the contrary, for the 1997-98 school year a school
10 district, county vocational school district, or county special services
11 school district shall receive additional State aid equal to the amount by
12 which the district's State aid was reduced in the 1996-97 school year
13 pursuant to the provisions of P.L.1995, c.236 (C.18A:7E-1 et seq.).
14 ¹The additional aid received by a district shall be an adjustment to the
15 district's spending growth limitation for the 1997-98 school year.¹ For
16 the 1998-99 school year and thereafter, this additional amount shall be
17 included in the school district's or county vocational school district's
18 prebudget year net budget and prebudget year net T&E budget.

19

20 ¹2. (New section) Notwithstanding any provision of P.L.1996,
21 c.138 (C.18A:7F-1 et seq.) or any rule or regulation promulgated
22 pursuant thereto to the contrary, for the 1997-98 school year any
23 district in which the special education students resident within the
24 district were excluded from the calculation of core curriculum
25 standards aid because the district was incorrectly listed as a non-
26 operating district in the calculation of that aid shall receive additional
27 State aid equal to the amount necessary to provide the district with its
28 corrected core curriculum standards aid entitlement. The additional
29 aid received by the district pursuant to this section shall be applied
30 toward the district's 1997-98 local share.¹

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted March 20, 1997.

1 ¹³. Section 10 of P.L.1996, c.138 (C.18A:7F-10) is amended to
2 read as follows:

3 10. a. Notwithstanding any other provision of this act to the
4 contrary, the total stabilized aid for each district shall not be increased
5 by more than the district's stabilization aid growth limit. In the event
6 that total stabilized aid exceeds the prebudget year total by a rate
7 greater than the stabilization aid growth limit, the commissioner shall
8 adjust the components of total stabilized aid so that they total exactly
9 the prebudget year total increased by the stabilization aid growth limit.
10 For the 1997-98 school year, the prebudget year total shall include
11 foundation aid, transition aid, categorical aids for special education,
12 bilingual education and county vocational education, and
13 transportation aid paid for the 1996-97 school year. For the 1998-99
14 school year and thereafter, the prebudget year total shall be the total
15 for the same aid categories as included in total stabilized aid plus any
16 stabilization aid the district has received pursuant to subsection b. of
17 this section, as paid in the prebudget years. For the 1997-98 and
18 1998-99 school years, total stabilized aid shall include core curriculum
19 standards aid, categorical aids for special education programs,
20 bilingual education programs, and county vocational programs,
21 transportation aid, and aid for adult and postsecondary programs
22 calculated pursuant to sections 15, 19, 20, 21, 25, and 28 of this act.
23 For the 1999-2000 school year and thereafter, total stabilized aid shall
24 include core curriculum standards aid, supplemental core curriculum
25 standards aid, distance learning network aid, categorical aids for
26 special education programs, bilingual education programs, county
27 vocational programs, early childhood program aid, demonstrably
28 effective program aid, instructional supplement aid, transportation aid,
29 aid for adult and postsecondary programs, and academic achievement
30 rewards calculated pursuant to sections 15 through 22, 25, 28 and 29
31 of this act.

32 Notwithstanding any provision of this section to the contrary, the
33 commissioner shall ensure that for any district with a stabilization
34 reduction in 1997-98 that by the 1999-2000 school year and thereafter,
35 the total stabilized aid for each school district reflects the actual pupil
36 counts of the district.

37 b. Notwithstanding any other provision of this act to the contrary,
38 the total of a district's stabilization aid, core curriculum standards aid,
39 supplemental core curriculum standards aid, distance learning network
40 aid, categorical aids for special education programs, bilingual
41 education programs, county vocational programs, early childhood
42 program aid, demonstrably effective program aid, transportation aid,
43 aid for adult and postsecondary programs, and academic achievement
44 rewards calculated pursuant to subsection a. of this section and
45 sections 15 through 17, subsection a. of section 18, 19 through 22,
46 25, 28 and 29 of this act, shall not be decreased by more than 10%

1 below the amounts paid for these categories in the prebudget year. In
2 the event that the sum of the formula entitlements calculated pursuant
3 to those sections is less than 90% of the prebudget total, stabilization
4 aid shall be paid in the amount of the difference between 90% of the
5 prebudget year total and the sum of those entitlements. For the
6 1997-98 school year, the prebudget year total shall include foundation
7 aid, transition aid, aid for at-risk pupils, technology aid and categorical
8 aids for special education, bilingual education and county vocational
9 education, and transportation aid.

10 c. For the 1997-98 school year, supplemental stabilization aid shall
11 be paid to any district in which:

12 (1) the total aid payable for the categories listed in subsection b. of
13 this section is less than the prebudget year total for the same aids; and

14 (2) resident enrollment projected for October 1997 exceeds 99
15 percent of the resident enrollment for October 1991 or resident
16 enrollment projected for October 1997 is less than resident enrollment
17 for October 1991 by 35 or fewer pupils or the prebudget year
18 equalized tax rate exceeded the Statewide average equalized school
19 tax rate by 10% or more.

20 An eligible district shall be aided in the amount of its total aid
21 decline, after offset by any stabilization aid provided pursuant to
22 subsection b. of this section, or \$4,000,000, whichever is less. The
23 commissioner, in consultation with the Commissioner of the
24 Department of Community Affairs and the Director of the Division of
25 Local Government Services in the Department of Community Affairs,
26 shall examine the fiscal ability of districts eligible for supplemental
27 stabilization aid to absorb aid losses and shall make recommendations
28 to the Legislature and the Governor regarding the continuation of
29 supplemental stabilization aid. The commissioner shall not implement
30 any of those recommendations until the recommendations are enacted
31 into law.

32 d. Additional supplemental stabilization aid of \$500,000 per district
33 shall be disbursed to any district which meets all of the following
34 criteria:

35 (1) the district's projected resident enrollment for the 1997-98
36 school year exceeds 10,000 pupils;

37 (2) the district's 1996-97 net budget is less than the sum of its
38 maximum T&E budget calculated pursuant to section 13 of this act
39 and early childhood program aid, demonstrably effective program aid,
40 instructional supplement aid, transportation aid, and categorical
41 program aid received pursuant to sections 19 through 22, 28, and 29
42 of this act;

43 (3) the district's total aid payable for the categories listed in
44 subsection b. of this section exceeds the prebudget year total for the
45 same aids by no more than 10%;

46 (4) the district's original State aid notice for 1996-97 was not

1 reduced pursuant to P.L.1995, c.236 (C.18A:7E-6 et seq.);

2 (5) the district's core curriculum standards aid as a percentage of
3 its T&E budget is less than 50%; and

4 (6) the district was certified as of November 30, 1996.

5 e. For the 1997-98 school year, each district which had pupils
6 placed in a county special services school district on October 15, 1995
7 shall receive additional supplemental stabilization aid as follows:

8 (1) when the sum of the district's total aid payable for the
9 categories listed in subsection b. of this section, aid payable pursuant
10 to subsections c. and d. of this section, and aid payable pursuant to
11 subsection c. of section 18 of this act exceeds the prebudget year total
12 for the same aids pursuant to subsection b. of this section, the district
13 shall receive an amount equal to the excess of the State aid generated
14 by such placements in the county special services school district in
15 1996-97 over the excess calculated pursuant to this paragraph; or

16 (2) when the district's prebudget year aid pursuant to subsection b.
17 of this section equals or exceeds the sum of the total aid payable for
18 the categories listed in subsection b. of this section, aid payable
19 pursuant to subsections c. and d. of this section, and aid payable
20 pursuant to subsection c. of section 18 of this act, the district shall
21 receive an amount equal to the State aid generated by such placements
22 in the county special services school district in 1996-97.

23 f. Supplemental school tax reduction aid shall be paid to any
24 district which meets the following criteria:

25 (1) the district's 1996-97 net budget per pupil is less than 115% of
26 the State average net budget per pupil;

27 (2) the district's 1996-97 equalized tax rate of the general fund is
28 greater than 130% of the Statewide average equalized school tax rate;

29 (3) the district does not receive any supplemental core curriculum
30 standards aid; and

31 (4) the district is not included within the Department of
32 Education's district factor groups I or J based on the 1990 federal
33 census data.

34 Each district which is determined to be eligible to receive aid
35 pursuant to this subsection shall receive aid according to the following
36 formula:

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38 $.75 \times (\text{ESTR} - 1.30 \times \text{STESTR}) \times \text{EVAL}$

39
40 where

41
42 ESTR is the district's equalized tax rate of the general fund for the
43 1996-97 school year;

44
45 STESTR is the Statewide average equalized school tax rate for the
46 1996-97 school year; and

1 EVAL is the district October 1995 equalized valuation.

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3 No district shall receive more than \$300,000 pursuant to this
4 subsection.

5 g. Additional supplemental stabilization aid shall be paid to any
6 district which is located in a municipality which has a population
7 composed of more than 45% senior citizens age 65 or older according
8 to the most recent federal decennial census. The aid shall equal \$200
9 multiplied by the district's resident enrollment projected for October
10 1997.

11 h. For the 1997-98 school year, any county vocational school
12 district which is not eligible for supplemental stabilization aid
13 pursuant to subsection c. of this section but which meets the
14 requirements of paragraph (1) of that subsection and in which the
15 secondary resident enrollment for October 1996 exceeds the resident
16 enrollment projected for October 1997 shall be entitled to
17 supplemental stabilization aid after offset by any aid received by the
18 district pursuant to subsections b., d., e., f., and g. of this section and
19 subsection c. of section 18 of P.L.1996, c.138 (C.18A:7F-18), or
20 \$500,000, whichever is less. A recommendation concerning the
21 continuation of aid awarded pursuant to this subsection shall be made
22 by the commissioner pursuant to the provisions of subsection c. of this
23 section.

24 i. Any stabilization aid, supplemental stabilization aid, and
25 supplemental school tax reduction aid paid pursuant to this section
26 shall be applied toward the required local share of the school district
27 or county vocational school district which receives the aid except that
28 for the 1997-98 school year, any aid received by a district pursuant to
29 subsection h. of this section shall be an adjustment to the district's
30 spending growth limitation.¹

31 (cf: P.L.1996, c.138, s.10)

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34 ¹[2.] 4.¹ There is appropriated from the General Fund to the
35 Department of Education ¹[\$6,602,749] \$8,429,960¹ to effectuate the
36 purposes of this act.

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38 ¹[3.] 5.¹ This act shall take effect immediately.

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43 Restores State aid in the 1997-98 school year to school districts with
44 administrative penalties in 1996-97 and provides additional aid to
45 certain other districts; appropriates \$8,429,960.