

§1
C. 18A:7F-5.1
§3
Approp.

P.L. 1997, CHAPTER 232, *approved August 25, 1997*
Assembly, No. 2741 (*Second Reprint*)

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-²[1] 6² et
14 seq.). ¹The additional aid received by a district shall be an adjustment
15 to the district's spending growth limitation for the 1997-98 school
16 year.¹ For the 1998-99 school year and thereafter, this additional
17 amount shall be included in the school district's or county vocational
18 school district's prebudget year net budget and prebudget year net
19 T&E budget.

20

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

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.

² Senate SBA committee amendments adopted June 12, 1997.

1 aid received by the district pursuant to this section shall be applied
2 toward the district's 1997-98 local share.¹]²

3
4 ²[¹3.] 2.² Section 10 of P.L.1996, c.138 (C.18A:7F-10) is amended
5 to read as follows:

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

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

40 b. Notwithstanding any other provision of this act to the contrary,
41 the total of a district's stabilization aid, core curriculum standards aid,
42 supplemental core curriculum standards aid, distance learning network
43 aid, categorical aids for special education programs, bilingual
44 education programs, county vocational programs, early childhood
45 program aid, demonstrably effective program aid, transportation aid,
46 aid for adult and postsecondary programs, and academic achievement

1 rewards calculated pursuant to subsection a. of this section and
2 sections 15 through 17, subsection a. of section 18, 19 through 22,
3 25, 28 and 29 of this act, shall not be decreased by more than 10%
4 below the amounts paid for these categories in the prebudget year. In
5 the event that the sum of the formula entitlements calculated pursuant
6 to those sections is less than 90% of the prebudget total, stabilization
7 aid shall be paid in the amount of the difference between 90% of the
8 prebudget year total and the sum of those entitlements. For the
9 1997-98 school year, the prebudget year total shall include foundation
10 aid, transition aid, aid for at-risk pupils, technology aid and categorical
11 aids for special education, bilingual education and county vocational
12 education, and transportation aid.

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

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

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

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

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

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

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

46 (3) the district's total aid payable for the categories listed in

1 subsection b. of this section exceeds the prebudget year total for the
2 same aids by no more than 10%;

3 (4) the district's original State aid notice for 1996-97 was not
4 reduced pursuant to P.L.1995, c.236 (C.18A:7E-6 et seq.);

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

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

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

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

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

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

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

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

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

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

37 Each district which is determined to be eligible to receive aid
38 pursuant to this subsection shall receive aid according to the following
39 formula:

40

41 $.75 \times (\text{ESTR} - 1.30 \times \text{STESTR}) \times \text{EVAL}$

42

43 where

44

45 ESTR is the district's equalized tax rate of the general fund for the
46 1996-97 school year;

1 STESTR is the Statewide average equalized school tax rate for the
2 1996-97 school year; and

3
4 EVAL is the district October 1995 equalized valuation.

5
6 No district shall receive more than \$300,000 pursuant to this
7 subsection.

8 g. Additional supplemental stabilization aid shall be paid to any
9 district which is located in a municipality which has a population
10 composed of more than 45% senior citizens age 65 or older according
11 to the most recent federal decennial census. The aid shall equal \$200
12 multiplied by the district's resident enrollment projected for October
13 1997.

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

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

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

35
36 ¹[2.]²[4.¹] ^{3.}² There is appropriated from the General Fund to the
37 Department of Education ¹[\$6,602,749] ²[\$8,429,960¹] \$8,127,271²
38 to effectuate the purposes of this act.

39
40 ¹[3.]²[5.¹] ^{4.}² This act shall take effect immediately.

41
42
43
44 Restores State aid in the 1997-98 school year to school districts with
45 administrative penalties in 1996-97 and provides additional aid to
46 certain other districts; appropriates \$8,127,271.