

SENATE, No. 2061

STATE OF NEW JERSEY

INTRODUCED MAY 8, 1997

By Senator BARK

1 AN ACT concerning the maintenance and support of a thorough and
2 efficient system of free public schools and amending, P.L.1996,
3 c.138 (C.18A:7F-1 et seq.).

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

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

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

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.

1 effective program aid, instructional supplement aid, transportation aid,
2 aid for adult and postsecondary programs, and academic achievement
3 rewards calculated pursuant to sections 15 through 22, 25, 28 and 29
4 of this act.

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

10 b. Notwithstanding any other provision of this act to the contrary,
11 the total of a district's stabilization aid, core curriculum standards aid,
12 supplemental core curriculum standards aid, distance learning network
13 aid, categorical aids for special education programs, bilingual
14 education programs, county vocational programs, early childhood
15 program aid, demonstrably effective program aid, transportation aid,
16 aid for adult and postsecondary programs, and academic achievement
17 rewards calculated pursuant to subsection a. of this section and
18 sections 15 through 17, subsection a. of section 18, 19 through 22, 25,
19 28 and 29 of this act, shall not be decreased by more than 10% below
20 the amounts paid for these categories in the prebudget year. In the
21 event that the sum of the formula entitlements calculated pursuant to
22 those sections is less than 90% of the prebudget total, stabilization aid
23 shall be paid in the amount of the difference between 90% of the
24 prebudget year total and the sum of those entitlements. For the
25 1997-98 school year, the prebudget year total shall include foundation
26 aid, transition aid, aid for at-risk pupils, technology aid and categorical
27 aids for special education, bilingual education and county vocational
28 education, and transportation aid.

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

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

33 (2) resident enrollment projected for October 1997 exceeds 99
34 percent of the resident enrollment for October 1991 or resident
35 enrollment projected for October 1997 is less than resident enrollment
36 for October 1991 by 35 or fewer pupils or the prebudget year
37 equalized tax rate exceeded the Statewide average equalized school
38 tax rate by 10% or more.

39 An eligible district shall be aided in the amount of its total aid
40 decline, after offset by any stabilization aid provided pursuant to
41 subsection b. of this section, or \$4,000,000, whichever is less. The
42 commissioner, in consultation with the Commissioner of the
43 Department of Community Affairs and the Director of the Division of
44 Local Government Services in the Department of Community Affairs,
45 shall examine the fiscal ability of districts eligible for supplemental
46 stabilization aid to absorb aid losses and shall make recommendations

1 to the Legislature and the Governor regarding the continuation of
2 supplemental stabilization aid. The commissioner shall not implement
3 any of those recommendations until the recommendations are enacted
4 into law.

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

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

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

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

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

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

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

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

27 (1) when the sum of the district's total aid payable for the
28 categories listed in subsection b. of this section, aid payable pursuant
29 to subsections c. and d. of this section, and aid payable pursuant to
30 subsection c. of section 18 of this act exceeds the prebudget year total
31 for the same aids pursuant to subsection b. of this section, the district
32 shall receive an amount equal to the excess of the State aid generated
33 by such placements in the county special services school district in
34 1996-97 over the excess calculated pursuant to this paragraph; or

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

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

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

46 (2) the district's 1996-97 equalized tax rate of the general fund is

1 greater than 130% of the Statewide average equalized school tax rate;
2 (3) the district does not receive any supplemental core curriculum
3 standards aid; and

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

7 Each district which is determined to be eligible to receive aid
8 pursuant to this subsection shall receive aid according to the
9 following formula:

10 $.75 \times (\text{ESTR} - 1.30 \times \text{STESTR}) \times \text{EVAL}$

11 where

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

14 STESTR is the Statewide average equalized tax rate of the
15 general fund for the 1996-97 school year; and

16 EVAL is the district October 1995 equalized valuation.

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

19 g. Additional supplemental stabilization aid shall be paid to any
20 district which is located in a municipality which has a population
21 composed of more than 45% senior citizens age 65 or older according
22 to the most recent federal decennial census. The aid shall equal \$200
23 multiplied by the district's resident enrollment projected for October
24 1997.

25 h. For the 1997-98 school year, any district which is not eligible for
26 supplemental stabilization aid pursuant to subsection c. of this section
27 but which meets the requirements of paragraph (1) of that subsection
28 and which had an increase in resident enrollment between October
29 1993 and October 1994 and between October 1994 and October 1995
30 shall be entitled to supplemental stabilization aid equal to the amount
31 of its total aid decline after offset by any aid received by the district
32 pursuant to subsections b., d., e., f. and g. of this section and
33 subsection c. of section 18 of P.L.1996, c.138 (C.18A:7F-18). A
34 recommendation concerning the continuation of aid awarded pursuant
35 to this subsection shall be made by the commissioner pursuant to the
36 provisions of subsection c. of this section.

37 As used in this subsection, "resident enrollment" means resident
38 enrollment as defined in the "Quality Education Act of 1990,"
39 P.L.1990, c.52 (C.18A:7D-1 et al.), plus any pupils resident within the
40 district enrolled in a county special services school district, as used by
41 the Department of Education in the calculation of resident enrollment
42 projected for October 1997.

43 i. Any stabilization aid, supplemental stabilization aid, and
44 supplemental school tax reduction aid paid pursuant to this section
45 shall be applied toward the required local share of the school district
46 or county vocational school district which receives the aid except that

1 for the 1997-98 school year, any aid received by a district pursuant to
2 subsection h. of this section shall be an adjustment to the district's
3 spending growth limitation.

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

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6 2. This act shall take effect immediately and shall first apply to the
7 1997-98 school year.

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10 STATEMENT

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12 This bill amends the "Comprehensive Educational Improvement
13 and Financing Act of 1996" to provide additional supplemental
14 stabilization aid to school districts which had increases in resident
15 enrollment between the October 1993 and October 1994 enrollment
16 counts and between the October 1994 and October 1995 enrollment
17 counts.

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22 Provides additional supplemental stabilization aid to certain school
23 districts.