

SENATE, No. 2286

STATE OF NEW JERSEY

INTRODUCED DECEMBER 1, 1997

By Senator BARK

1 AN ACT concerning enrollment counts in public school districts and
2 amending P.L.1996, c.138.

3

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

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

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

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 aid for adult and postsecondary programs, and academic achievement
2 rewards calculated pursuant to sections 15 through 22, 25, 28 and 29
3 of this act.

4 Notwithstanding any provision of this section to the contrary, the
5 commissioner shall ensure that for any district with a stabilization
6 reduction in 1997-98 that by the [1999-2000] 1998-1999 school year
7 and thereafter, the total stabilized aid for each school district reflects
8 the actual pupil counts of the district.

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

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

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

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

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

1 supplemental stabilization aid. The commissioner shall not implement
2 any of those recommendations until the recommendations are enacted
3 into law.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 $.75 \times (\text{ESTR} - 1.30 \times \text{STESTR}) \times \text{EVAL}$

10 where

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

13 STESTR is the Statewide average equalized school tax rate for the
14 1996-97 school year; and

15 EVAL is the district October 1995 equalized valuation.

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

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

24 h. For the 1997-98 school year, any county vocational school
25 district which is not eligible for supplemental stabilization aid
26 pursuant to subsection c. of this section but which meets the
27 requirements of paragraph (1) of that subsection and in which the
28 secondary resident enrollment for October 1996 exceeds the resident
29 enrollment projected for October 1997 shall be entitled to
30 supplemental stabilization aid after offset by any aid received by the
31 district pursuant to subsections b., d., e., f., and g. of this section and
32 subsection c. of section 18 of P.L.1996, c.138 (C.18A:7F-18), or
33 \$500,000, whichever is less. A recommendation concerning the
34 continuation of aid awarded pursuant to this subsection shall be made
35 by the commissioner pursuant to the provisions of subsection c. of this
36 section.

37 i. Any stabilization aid, supplemental stabilization aid, and
38 supplemental school tax reduction aid paid pursuant to this section
39 shall be applied toward the required local share of the school district
40 or county vocational school district which receives the aid; except that
41 for the 1997-98 school year, any aid received by a district pursuant to
42 subsection h. of this section shall be an adjustment to the district's
43 spending growth limitation.

44 (cf: P.L.1997, c.232, s.2)

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46 2. This act shall take effect immediately.

STATEMENT

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This bill amends the stabilization aid growth limit provision under the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L. 1996, c.138. The stabilization aid growth limit restricts the amount by which a district's State aid may increase over the prebudget year. For the 1997-98 school year, the growth limit is 8 percent or 1/2 of the district's enrollment increase between October 1991 and October 1997, whichever is greater. The law in its current form provides that by the 1999-2000 school year and thereafter, the total stabilized aid for each school district must reflect the actual pupil count of the district. This bill amends current law to provide that full funding of enrollment growth will be implemented in the 1998-1999 school year rather than the 1999-2000 school year.

Provides that full funding of enrollment growth be implemented in the 1998-99 school year.