

SENATE, No. 2287

STATE OF NEW JERSEY

INTRODUCED DECEMBER 1, 1997

By Senator BARK

1 AN ACT concerning State aid for certain constituent municipalities of  
2 regional school districts and amending P.L.1996, c.138.

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

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7 1. Section 32 of P.L.1996, c.138 (C.18A:7F-32) is amended to  
8 read as follows:

9 32. a. When State aid is calculated for any year and a part of any  
10 district becomes a new school district or a part of another school  
11 district, or comes partly under the authority of a regional board of  
12 education, the commissioner shall adjust the State aid calculations  
13 among the districts affected, or between the district and the regional  
14 board, as the case may be, on an equitable basis in accordance with the  
15 intent of this act.

16 Whenever an all-purpose regional school district is approved by the  
17 voters during any calendar year, the regional district shall become  
18 effective on the succeeding July 1 for the purpose of calculating State  
19 aid, and the commissioner shall request supplemental appropriations  
20 for such additional State aid as may be required. After a regional  
21 school district becomes entitled to State aid, it shall continue to be  
22 entitled to aid as calculated for a regional district notwithstanding the  
23 subsequent consolidation of the constituent municipalities of the  
24 regional school district.

25 b. For a period of five years following regionalization, each  
26 regional school district formed after the effective date of this act shall  
27 be eligible to receive supplemental State aid equal to the difference  
28 between the regional district's core curriculum standards aid calculated  
29 pursuant to section 15 of this act for the budget year and the sum of  
30 core curriculum standards aid received by each constituent district of  
31 that regional school district in the year prior to regionalization,  
32 multiplied by the transition weight. For the purpose of this section,  
33 the transition weight shall equal 1.0 for the first year following  
34 regionalization, .80 for the second year following regionalization, .60

**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 for the third year following regionalization, .40 for the fourth year  
2 following regionalization, and .20 for the fifth year following  
3 regionalization.

4 c. If the boards of education of two or more K-6 or K-8 local  
5 school districts which are located in contiguous municipalities form  
6 a limited purpose regional school district to provide K-6 or K-8  
7 educational services after the effective date of P.L. , c. (C. )  
8 (now pending before the Legislature as this bill), and one of the  
9 contiguous constituent municipalities has a general fund tax levy for  
10 school purposes in the budget year following regionalization which  
11 exceeds its general fund tax levy for school purposes in the budget  
12 year prior to regionalization, then the constituent municipality shall  
13 receive supplemental State aid in an amount equal to the difference  
14 between its general fund tax levy in the budget and prebudget years,  
15 multiplied by the transition weight. For the purpose of this section,  
16 the transition weight shall equal 1.0 for the first year following  
17 regionalization, .80 for the second year following regionalization, .60  
18 for the third year following regionalization, .40 for the fourth year  
19 following regionalization, and .20 for the fifth year following  
20 regionalization.

21 (cf: P.L.1996, c.138, s.32)

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23 2. This act shall take effect immediately.

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#### STATEMENT

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28 This bill offers an incentive to K-6 or K-8 school districts located  
29 in contiguous municipalites to form a regional school district to  
30 provide those K-6 or K-8 educational services by providing  
31 supplemental State aid to municipalities, which as a result of the  
32 regionalization of their educational services, experience an increase in  
33 their general fund tax levies.

34 Under the bill's provisions, if the boards of education of two or  
35 more K-6 or K-8 school districts which are located in contiguous  
36 municipalities form a limited purpose regional school district to  
37 provide those K-6 or K-8 educational services, and one of the  
38 contiguous constituent municipalities has a general fund tax levy for  
39 school purposes in the budget year which exceeds its general fund tax  
40 levy for school purposes in the year prior to regionalization, that  
41 constituent municipality will receive supplemental State aid in the  
42 amount of the tax levy difference between the budget and prebudget  
43 years. This supplemental aid would be available for a period of five  
44 years with the dollar amount of the aid decreasing 20% annually over  
45 the five year period.

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3 Provides supplemental State aid to certain regional school district

4 constituent municipalities to offset any tax increase associated with

5 regionalization.