## 18A:36C-14 to 18A:36C-19

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF:	2013	CHAPT	ER:	149			
NJSA: 18A:36C-14 to 18A:36C-19 (Makes various changes to the Urban Hope Act including the financing and siting of renaissance school projects)							
BILL NO:	S2821	(Substi	tuted for	r A4194)			
SPONSOR(S)	Norcross	s and others					
DATE INTROD	UCED:	May 30, 2013					
COMMITTEE:		ASSEMBLY:					
	:	SENATE:	Educat Budget	tion t and Appropriatio	ons		
AMENDED DURING PASSAGE:		Yes					
DATE OF PAS	SAGE:	ASSEM	IBLY:	June 27, 2013			
		SENAT	E:	June 27, 2013			
			19, 201	3			
	RE ATTA	CHED IF AVAI		:			
FINAL	TEXT OF	BILL (First rep	rint enac		Yes		
S2821							
	SPONSO	OR'S STATEMI	ENT (Be	egins on page 9 o	f introduced bill):	Yes	
	СОММІТ	TEE STATEM	ENT:		ASSEMBLY:	No	
					SENATE:	Yes	
(Audio archived be found at www			ttee mee	etings, correspon	ding to the date of t	he committee statement, <i>may possibly</i>	
FLOOR AMENDMENT STATEMEN				MENT:		No	
LEGISLATIVE FISCAL ESTIMATE:						No	
A4149							
	SPONSO	OR'S STATEMI	ENT: (I	Begins on page 9	) introduced bill):	Yes	
	СОММІТ	TEE STATEM	ENT:		ASSEMBLY:	Yes	
					SENATE:	No	

FLOOR AMENDMENT STATEMENT:	Yes
LEGISLATIVE FISCAL ESTIMATE:	No
VETO MESSAGE:	No
GOVERNOR'S PRESS RELEASE ON SIGNING:	No
FOLLOWING WERE PRINTED: To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <u>mailto:refdesk@njstate</u>	lib.org
REPORTS:	No

HEARINGS:	No
NEWSPAPER ARTICLES:	Yes

"Charter change brings concerns," The Philadelphia Inquirer, 8-21-13

LAW/KR

§§5-10 -C.18A:36C-14 to 18A:36C-19 §11 - Note

#### P.L.2013, CHAPTER 149, approved August 19, 2013 Senate, No. 2821 (First Reprint)

AN ACT concerning renaissance school projects and amending and 1 2 supplementing P.L.2011, c.176. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 3 of P.L.2011, c.176 (C.18A:36C-3) is amended to read as follows: 8 9 3. As used in this act: 10 "Commissioner" means the Commissioner of Education. "Failing district" means: in accordance with data from the 11 12 Statewide assessment reports issued by the Department of 13 Education (1) in the case of a school district located in a city of the first class, a school district in which at least 40% of the students 14 scored in the partially proficient range in the language arts and 15 mathematics sections of each State assessment administered in the 16 17 2009-2010 school year; and (2) in the case of a school district 18 located in a city of the second class, a school district in which at 19 least 45% of the students scored in the partially proficient range in 20 the language arts and mathematics sections of each State assessment 21 administered in the 2009-2010 school year. 22 "Per pupil expenditure" means the sum of the budget year equalization aid per pupil, budget year adjustment aid per pupil, and 23 24 the prebudget year general fund tax levy per pupil inflated by the 25 CPI rate most recent to the calculation. "School facility" means and includes any structure, building, or 26 27 facility used wholly or in part for educational purposes by the students of a school district. 28 29 "Renaissance school district" is a failing district in which 30 renaissance school projects shall be established. "Renaissance school project" means a newly-constructed school, 31 or group of schools in [a common campus setting] an urban 32 33 campus area, that provides an educational program for students 34 enrolled in grades **[K]** <u>pre-K</u> through 12 or in a grade range less 35 than **[K]** pre-K through 12, that is agreed to by the school district, and is operated and managed by a nonprofit entity in a renaissance 36 A renaissance school project may include a 37 school district.

Matter underlined <u>thus</u> is new matter.

Matter enclosed in superscript numerals has been adopted as follows: <sup>1</sup>Senate SBA committee amendments adopted June 24, 2013.

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

dormitory and related facilities as permitted pursuant to section 5 of P.L.2011, c.176 (C.18A:36C-5).

3 <u>"Urban campus area" means the area within a</u> <u>two-mile</u> <u>1.5-</u>

4 <u>mile</u><sup>1</sup> <u>radius of the site of the initial school of a renaissance school</u>

5 project  $^{1}$ , except that a high school building which is part of the

6 renaissance school project may be located within a two-mile radius

7 of the site of the initial school of a renaissance school  $\text{project}^1$ .

8 (cf: P.L.2011, c.176, s.3)

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10 2. Section 4 of P.L.2011, c.176 (C.18A:36C-4) is amended to 11 read as follows:

12 4. a. A nonprofit entity, in partnership with the renaissance 13 school district, may submit to the commissioner an application to 14 create a renaissance school project no later than three years 15 following the effective date of this act. A nonprofit entity seeking 16 to create a renaissance school project shall have experience in 17 operating a school in a high-risk, low-income urban district. In 18 addition, an entity retained by the nonprofit entity for the purpose 19 of financing or constructing the renaissance school project shall 20 also have appropriate experience.

b. The application shall be in a form prescribed by thecommissioner, but at a minimum it shall contain the following:

23 (1) except as otherwise provided in this paragraph, a resolution 24 adopted in a public meeting by the board of education of the 25 renaissance school district in which the renaissance school project will be located certifying the support of the board for the 26 27 application. In the case of a district under full or partial State 28 intervention with an advisory board of education, the application 29 shall contain evidence that that State district superintendent or 30 superintendent, as applicable, convened at least three public 31 meetings to discuss the merits of the renaissance school project. 32 The evidence shall include, at a minimum, any written public 33 comments received during those meetings. In the case of these 34 districts, the application shall contain a resolution from the advisory 35 board of education reflecting the board's approval or disapproval of 36 the renaissance school project. While a successful application does 37 not require approval from the advisory board of education, the 38 commissioner, in considering the application, shall give due 39 consideration to any disapproval from the advisory board;

40 (2) a copy of the amendment to the renaissance school district's
41 long-range facilities plan which has been submitted to the
42 commissioner pursuant to section 4 of P.L.2000, c.72 (C.18A:7G-4)
43 that includes the proposed renaissance school project;

(3) the educational goals of the renaissance school project, the
curriculum to be offered, and the methods of assessing whether
students are meeting the proffered educational goals;

(4) any testing and academic performance standards to be
 mandated by the renaissance school project beyond those required
 by State law and regulation;

4 (5) the admission policy and criteria for evaluating the
5 admission of students to the renaissance school project, which shall
6 comply with the provisions of section 8 of this act;

7 (6) the age or grade range of students to be enrolled in the8 renaissance school project;

9 (7) the total number of students to be enrolled in each grade 10 level of the renaissance school project;

11 (8) the renaissance school project calendar and school day12 schedule;

(9) the financial plan for the renaissance school project and the
provisions that will be made for auditing pursuant to N.J.S.18A:231;

16 (10) a description of **[**, and address for, **]**<sup>1</sup>, and address for, <sup>1</sup> the <sup>1</sup><u>initial</u><sup>1</sup> school facility <sup>1</sup>[or facilities]<sup>1</sup> in which the renaissance 17 school project will be located <sup>1</sup>and an affirmation that any other 18 school facility or facilities in which the renaissance school project 19 20 will be located will be in the required urban campus area. For any 21 school facility other than the initial school facility included in the 22 application pursuant to this paragraph, the nonprofit entity shall 23 notify the Commissioner of Education of the location of the facility 24 at least one year prior to the opening of the facility<sup>1</sup>;

25 (11) documentation that the proposed renaissance school project 26 meets [the facilities efficiency standards developed by the 27 commissioner pursuant to subsection h. of section 4 of P.L.2000, (C.18A:7G-4), and any school facility regulations 28 c.72 29 promulgated by the State Board of Education or the Department of 30 Community Affairs, other than the facilities efficiency standards 31 developed by the Commissioner of Education pursuant to 32 subsection h. of section 4 of P.L.2000, c.72 (C.18A:7G-4);

(12) documentation of [the funds available to construct the
 renaissance school project] <u>a funding plan to acquire necessary</u>
 <u>lands and to construct a renaissance school project thereon</u>,
 including the terms of any financing secured for such purpose;

(13) [if the renaissance school project includes the acquisition
of land, the application shall include, at a minimum: (a) a
description of the land to be acquired; (b) the costs of acquisition;
(c) the timetable for acquisition; and (d) the plan for financing the
acquisition;] (Deleted by amendment, P.L., c.) (pending before
the Legislature as this bill)

(14) identification of the attendance area of the renaissance
school project, if the renaissance school project will not be built on
land owned by the New Jersey Schools Development Authority or
the renaissance school district;

1 (15) a description of the process employed by the renaissance 2 school district to find and partner with the chosen nonprofit entity 3 to create a renaissance school project. The description shall be 4 sufficient to show that the process employed by the renaissance 5 school district was open, fair, and subject to public input and The description shall, at a minimum, include any 6 comment. 7 requests for proposals issued by the renaissance school district, the number of responses received, and the process and criteria 8 9 employed by the renaissance school district to select the chosen 10 nonprofit entity among the respondents; and 11 (16) such other information as the commissioner may require. 12 (cf: P.L.2011, c.176, s.4) 13 3. Section 5 of P.L.2011, c.176 (C.18A:36C-5) is amended to 14 15 read as follows: 16 The commissioner may not approve more than four 5. 17 renaissance school projects in any one renaissance school district. The commissioner may approve no more than one renaissance 18 19 school project with a dormitory and related facilities in any one 20 renaissance school district. Nothing in this act shall prohibit a 21 renaissance school project that provides an educational program for 22 a grade range less than **[K]** <u>pre-K</u> through 12 from expanding grade levels after the approval by the commissioner of the initial 23 24 application. 25 In reviewing and judging applications for renaissance school 26 projects, the factors considered by the commissioner may include, 27 but not be limited to: 28 The likelihood that the renaissance school project will a. 29 improve academic achievement in the renaissance school district; 30 The strength of the support for the renaissance school project b. 31 from the school district, board of education, and parents; 32 The facilities plan for the renaissance school project; c. 33 d. Diversity of school type, elementary school, middle school, 34 and high school, among the proposed renaissance school projects; 35 and 36 e. Any other factors deemed significant by the commissioner. 37 (cf: P.L.2011, c.176, s.5) 38 39 4. Section 8 of P.L.2011, c.176 (C.18A:36C-8) is amended to 40 read as follows: 41 8. a. (1) In the case of a renaissance school project built on 42 land owned by the New Jersey Schools Development Authority or 43 the renaissance school district, students residing in the attendance 44 area established by the renaissance school district for that property

45 shall be automatically enrolled in the renaissance school project, 46 except as otherwise provided in paragraph (2) of this subsection. 47 The parent or guardian of the student may determine not to enroll the student in the renaissance school project, and in that case the 48

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1 student shall be eligible for enrollment in another school in the 2 renaissance school district. If spaces remain available in the renaissance school project, students shall be selected for the 3 4 remaining spaces through a lottery system. The first lottery shall 5 include students who <sup>1</sup>[attend a public school] <u>reside</u><sup>1</sup> in the renaissance school district but <sup>1</sup>[reside]<sup>1</sup> outside the attendance 6 7 area of the renaissance school. If space remains available, a second 8 lottery shall be conducted that may include students who reside 9 outside of the renaissance school district.

10 (2) A renaissance school project built on land owned by the 11 New Jersey Schools Development Authority or the renaissance 12 school district, shall allow any student who was enrolled in the 13 renaissance school project in the immediately preceding school year 14 to enroll in the renaissance school project in the appropriate grade 15 unless the appropriate grade is not offered; and if a grade is at 16 capacity, a student enrolled in the immediately preceding school 17 year shall have priority for enrollment in that grade over a student 18 who would otherwise be eligible for initial enrollment in the 19 renaissance school project automatically based on the fact that he 20 resides in the attendance area established by the renaissance school 21 project for that property.

22 b. (1) In the case of a renaissance school project which is not 23 built on land owned by the New Jersey Schools Development 24 Authority or the renaissance school district, preference for 25 enrollment in the renaissance school project shall be given to students who reside in the attendance area identified in the 26 27 application submitted by the nonprofit entity and approved by the 28 commissioner for the renaissance school project. In no case may an 29 attendance area include an area outside of the renaissance school 30 district. If spaces remain available in the renaissance school 31 project, then the renaissance school project may select students for the remaining spaces through a lottery system. The first lottery 32 33 shall include students who <sup>1</sup> [attend a public school] reside<sup>1</sup> in the 34 renaissance school district but <sup>1</sup>[reside]<sup>1</sup> outside the attendance area identified in the application approved by the commissioner for 35 36 the renaissance school project. If space remains available, a second 37 lottery shall be conducted that may include students who reside 38 outside of the renaissance school district.

39 (2) A renaissance school project which is not built on land
 40 owned by the New Jersey Schools Development Authority or the
 41 renaissance school district shall allow any student who was enrolled
 42 in the renaissance school project in the immediately preceding
 43 school year to enroll in the renaissance school project in the
 44 appropriate grade unless the appropriate grade is not offered.

In developing and executing its selection process, the nonprofit entity shall not discriminate on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a handicapped person, proficiency in the English language, or any

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other basis that would be illegal if used by a school district. A
 nonprofit entity may, however, limit admission to a particular grade
 level or levels consistent with its organizational document.

4 (cf: P.L.2011, c.176, s.8)

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5. (New section) A renaissance school project shall comply with the provisions of chapter 46 of Title 18A of the New Jersey Statutes concerning the provision of services to students with disabilities; except that the fiscal responsibility for any student currently enrolled in or determined to require a private day or residential school shall remain with the district of residence.

Within 15 days of the signing of the individualized education plan, a renaissance school project shall provide notice to the resident district of any individualized education plan which results in a private day or residential placement. The resident district may challenge the placement within 30 days in accordance with the procedures established by law.

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6. (New section) A renaissance school project shall be a local
education agency only for the purpose of applying for federal
entitlement and discretionary funds.

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23 7. (New section)  $^{1}$  [a. Notwithstanding the provisions of 24 N.J.S.18A:24-10 or any other section of law to the contrary, the 25 board of education of a Type II renaissance school district without a 26 board of school estimate may issue bonds without the approval of 27 the voters of the district in order to finance the construction of a renaissance school project. In the case of a Type I renaissance 28 29 school district or a Type II renaissance school district with a board 30 of school estimate, notwithstanding the provisions of N.J.S.18A:24-31 11, N.J.S.18A:24-12, or any other section of law to the contrary, 32 such bonds may be issued by the municipality without the approval 33 of the board of school estimate or the adoption of a municipal ordinance as applicable. In the case of a school district under full 34 35 State intervention or partial State intervention in which the 36 governance component of school district effectiveness has not been 37 returned to the district, notwithstanding the provisions of P.L.1991, 38 c.139 (C.18A:7A-46.1 et seq.) or any other section of law to the 39 contrary, such bonds may be issued without the approval of the 40 capital project control board.

41 The issuance of the bonds shall be approved by the board of 42 education of the renaissance school district, or the State district 43 superintendent in the case of a school district under full State 44 intervention or partial State intervention in which the governance 45 component has not been returned to the district. The approval shall 46 be evidenced by the adoption of a resolution by the board of 47 education in a public meeting upon an affirmative vote of two-48 thirds of its full membership certifying the support of the board for

the issuance of the bonds, or if the school district is under full or partial State intervention and the governance component has not been returned to the district, a certification, affidavit, or other sworn statement signed by the State district superintendent supporting the issuance.

b. Notwithstanding the provisions of any law to the contrary, a
county or county improvement authority may issue bonds in order
to finance the construction of a renaissance school project.

9 of N.J.S.18A:22-20, c. Notwithstanding the provisions 10 N.J.S.18A:22-30, or any other section of law to the contrary, the principal of and interest on the bonds issued pursuant to this section 11 12 shall be repaid with funds of the entity or entities owning or operating the renaissance school project for which the bonds have 13 14 been issued, except as otherwise provided by subsection d. of this 15 section. To secure the repayment of the principal of and interest on 16 the bonds issued pursuant to this section, the board of education, the 17 State district superintendent, the municipality, the county, or the 18 county improvement authority, as applicable, shall enter into an 19 agreement with the entity or entities owning or operating the 20 renaissance school project, which agreement shall include the total 21 amount of bonded indebtedness to be repaid, the schedule of 22 required debt service payments, and the total amount of each 23 individual debt service payment. The commissioner shall approve 24 any agreement entered into pursuant to this section prior to the 25 issuance of the bonds.

d. Bonds issued by a school district, municipality, or county to
finance a renaissance school project pursuant to this section, shall
be entitled to the benefits of the "New Jersey School Bond Reserve
Act," P.L.1980, c.72 (C.18A:56-17 et seq.).

e. The provisions of P.L.1969, c.130 (C.18A:24-61.1 et seq.)
shall be applicable to bonds issued pursuant to this section.

f. **]**<sup>1</sup> In the event the authorization to operate a renaissance school project is terminated or expires for any reason, and no substitute or replacement owner or operator for that renaissance school project has been approved by the State prior to the termination or expiration date, title to the renaissance school project shall revert to the board of education of the renaissance school district for consideration in an amount calculated as follows:

(1) if the principal of and interest due on any outstanding 39 40 <sup>1</sup>[bonds issued pursuant to this section] debt used<sup>1</sup> to finance the 41 renaissance school project is equal to or greater than the fair market 42 value of the renaissance school project, as determined by a certified 43 appraiser agreed to by the renaissance school district and the owner 44 of the renaissance school project, the renaissance school district shall assume any outstanding <sup>1</sup>[bonds issued pursuant to this 45 section] debt used<sup>1</sup> to finance the renaissance school project, and 46 47 thereafter the renaissance school district shall be legally obligated 48 for the payment thereof; or

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1 (2) if the fair market value of the renaissance school project is 2 greater than the amount of the principal of and interest due on the outstanding <sup>1</sup>[bonds issued pursuant to this section] <u>debt used</u><sup>1</sup> to 3 finance the renaissance school project, the renaissance school 4 district shall pay to the owner of the renaissance school project the 5 fair market value of the renaissance school project, provided that, to 6 7 the extent that any <sup>1</sup>[bonds issued pursuant to this section] <u>debt</u> 8 used<sup>1</sup> to finance the renaissance school project <sup>1</sup>[are] is<sup>1</sup> then outstanding, the owner of the renaissance school project shall utilize 9 10 the funds received from the renaissance school district pursuant to 11 this paragraph to retire the outstanding <sup>1</sup>[bonds] debt<sup>1</sup>. 12 13 8. (New section) Notwithstanding any law, rule, or regulation 14 to the contrary, a renaissance school district is authorized to enter 15 into an agreement with an owner or operator of a renaissance school 16 project for the occupancy, use, or both, of all or a portion of the school facility constituting the renaissance school project which is 17 18 not immediately necessary for the operation of the renaissance 19 school project. 20 21 **1**[9. (New section) Notwithstanding any law, rule, or regulation 22 to the contrary, the New Jersey Housing and Mortgage Finance 23 Agency is authorized to provide funding for the construction of a dormitory within a renaissance school project pursuant to P.L.1983, c.530 (C.55:14K-1 et seq.).]<sup>1</sup> 25 <sup>1</sup>[10.] <u>9.</u><sup>1</sup> (New section) Notwithstanding the provisions of 27 28 R.S.52:14-7 or any other law, rule, or regulation to the contrary, the 29 Commissioner of Education may permit an individual employed by any <sup>1</sup>[public school] renaissance school project or charter school<sup>1</sup> 30 31 located within a renaissance school district to establish New Jersey 32 residency within five years of the date of his initial employment. 33 <sup>1</sup>[11.] <u>10.</u><sup>1</sup> (New section) A renaissance school project shall 34 not be subject to the facility efficiency standards developed by the 35 Commissioner of Education pursuant to subsection h. of section 4 36 37 of P.L.2000, c. 72 (C.18A:7G-4). 38 <sup>1</sup>[12.] <u>11.</u><sup>1</sup> This act shall take effect immediately and shall 39 apply to all renaissance school projects regardless of the date upon 40 41 which they were approved. 42 43 44 45 46 Makes various changes to the Urban Hope Act including the 47 financing and siting of renaissance school projects.

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# SENATE, No. 2821 STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED MAY 30, 2013

Sponsored by: Senator DONALD NORCROSS District 5 (Camden and Gloucester)

#### **SYNOPSIS**

Makes various changes to the Urban Hope Act including the financing and siting of renaissance school projects.

#### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning renaissance school projects and amending and 2 supplementing P.L.2011, c.176. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 3 of P.L.2011, c.176 (C.18A:36C-3) is amended to 8 read as follows: 9 3. As used in this act: 10 "Commissioner" means the Commissioner of Education. 11 "Failing district" means: in accordance with data from the 12 Statewide assessment reports issued by the Department of Education (1) in the case of a school district located in a city of the 13 first class, a school district in which at least 40% of the students 14 15 scored in the partially proficient range in the language arts and 16 mathematics sections of each State assessment administered in the 17 2009-2010 school year; and (2) in the case of a school district located in a city of the second class, a school district in which at 18 19 least 45% of the students scored in the partially proficient range in 20 the language arts and mathematics sections of each State assessment administered in the 2009-2010 school year. 21 22 "Per pupil expenditure" means the sum of the budget year 23 equalization aid per pupil, budget year adjustment aid per pupil, and 24 the prebudget year general fund tax levy per pupil inflated by the 25 CPI rate most recent to the calculation. 26 "School facility" means and includes any structure, building, or 27 facility used wholly or in part for educational purposes by the students of a school district. 28 29 "Renaissance school district" is a failing district in which 30 renaissance school projects shall be established. 31 "Renaissance school project" means a newly-constructed school, or group of schools in [a common campus setting] an urban 32 33 campus area, that provides an educational program for students 34 enrolled in grades [K] <u>pre-K</u> through 12 or in a grade range less 35 than [K] <u>pre-K</u> through 12, that is agreed to by the school district, 36 and is operated and managed by a nonprofit entity in a renaissance 37 school district. A renaissance school project may include a 38 dormitory and related facilities as permitted pursuant to section 5 of 39 P.L.2011, c.176 (C.18A:36C-5). 40 "Urban campus area" means the area within a two-mile radius of 41 the site of the initial school of a renaissance school project. 42 (cf: P.L.2011, c.176, s.3) 43 44 2. Section 4 of P.L.2011, c.176 (C.18A:36C-4) is amended to 45 read as follows:

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

Matter underlined thus is new matter.

3

1 4. a. A nonprofit entity, in partnership with the renaissance 2 school district, may submit to the commissioner an application to 3 create a renaissance school project no later than three years following the effective date of this act. A nonprofit entity seeking 4 5 to create a renaissance school project shall have experience in 6 operating a school in a high-risk, low-income urban district. In 7 addition, an entity retained by the nonprofit entity for the purpose 8 of financing or constructing the renaissance school project shall 9 also have appropriate experience.

10 b. The application shall be in a form prescribed by the 11 commissioner, but at a minimum it shall contain the following:

12 (1) except as otherwise provided in this paragraph, a resolution 13 adopted in a public meeting by the board of education of the 14 renaissance school district in which the renaissance school project 15 will be located certifying the support of the board for the 16 application. In the case of a district under full or partial State 17 intervention with an advisory board of education, the application 18 shall contain evidence that that State district superintendent or 19 superintendent, as applicable, convened at least three public 20 meetings to discuss the merits of the renaissance school project. The evidence shall include, at a minimum, any written public 21 22 comments received during those meetings. In the case of these 23 districts, the application shall contain a resolution from the advisory 24 board of education reflecting the board's approval or disapproval of 25 the renaissance school project. While a successful application does 26 not require approval from the advisory board of education, the 27 commissioner, in considering the application, shall give due 28 consideration to any disapproval from the advisory board;

(2) a copy of the amendment to the renaissance school district's
long-range facilities plan which has been submitted to the
commissioner pursuant to section 4 of P.L.2000, c.72 (C.18A:7G-4)
that includes the proposed renaissance school project;

(3) the educational goals of the renaissance school project, the
curriculum to be offered, and the methods of assessing whether
students are meeting the proffered educational goals;

36 (4) any testing and academic performance standards to be
37 mandated by the renaissance school project beyond those required
38 by State law and regulation;

39 (5) the admission policy and criteria for evaluating the
40 admission of students to the renaissance school project, which shall
41 comply with the provisions of section 8 of this act;

42 (6) the age or grade range of students to be enrolled in the43 renaissance school project;

44 (7) the total number of students to be enrolled in each grade45 level of the renaissance school project;

46 (8) the renaissance school project calendar and school day47 schedule;

(9) the financial plan for the renaissance school project and the
 provisions that will be made for auditing pursuant to N.J.S.18A:23 1;

4 (10) a description of **[**, and address for, **]** the school facility or 5 facilities in which the renaissance school project will be located;

6 (11) documentation that the proposed renaissance school project 7 meets [the facilities efficiency standards developed by the 8 commissioner pursuant to subsection h. of section 4 of P.L.2000, 9 c.72 (C.18A:7G-4), and any school facility regulations 10 promulgated by the State Board of Education or the Department of Community Affairs, other than the facilities efficiency standards 11 developed by the Commissioner of Education pursuant to 12 13 subsection h. of section 4 of P.L.2000, c.72 (C.18A:7G-4);

(12) documentation of [the funds available to construct the
renaissance school project] <u>a funding plan to acquire necessary</u>
<u>lands and to construct a renaissance school project thereon</u>,
including the terms of any financing secured for such purpose;

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of land, the application shall include, at a minimum: (a) a
description of the land to be acquired; (b) the costs of acquisition;
(c) the timetable for acquisition; and (d) the plan for financing the
acquisition;] (Deleted by amendment, P.L., c.) (pending before
the Legislature as this bill)

(14) identification of the attendance area of the renaissance
school project, if the renaissance school project will not be built on
land owned by the New Jersey Schools Development Authority or
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28 (15) a description of the process employed by the renaissance 29 school district to find and partner with the chosen nonprofit entity 30 to create a renaissance school project. The description shall be 31 sufficient to show that the process employed by the renaissance 32 school district was open, fair, and subject to public input and 33 The description shall, at a minimum, include any comment. 34 requests for proposals issued by the renaissance school district, the 35 number of responses received, and the process and criteria 36 employed by the renaissance school district to select the chosen 37 nonprofit entity among the respondents; and

38 (16) such other information as the commissioner may require.

- 39 (cf: P.L.2011, c.176, s.4)
- 40

41 3. Section 5 of P.L.2011, c.176 (C.18A:36C-5) is amended to 42 read as follows:

5. The commissioner may not approve more than four
renaissance school projects in any one renaissance school district.
<u>The commissioner may approve no more than one renaissance</u>
<u>school project with a dormitory and related facilities in any one</u>
<u>renaissance school district.</u> Nothing in this act shall prohibit a

1 renaissance school project that provides an educational program for 2 a grade range less than [K] <u>pre-K</u> through 12 from expanding grade 3 levels after the approval by the commissioner of the initial 4 application. 5 In reviewing and judging applications for renaissance school 6 projects, the factors considered by the commissioner may include, 7 but not be limited to: 8 The likelihood that the renaissance school project will 9 improve academic achievement in the renaissance school district; 10 The strength of the support for the renaissance school project b. 11 from the school district, board of education, and parents; 12 c. The facilities plan for the renaissance school project; 13 Diversity of school type, elementary school, middle school, d. 14 and high school, among the proposed renaissance school projects; 15 and 16 e. Any other factors deemed significant by the commissioner. 17 (cf: P.L.2011, c.176, s.5) 18 19 4. Section 8 of P.L.2011, c.176 (C.18A:36C-8) is amended to 20 read as follows: 21 8. a. (1) In the case of a renaissance school project built on land 22 owned by the New Jersey Schools Development Authority or the 23 renaissance school district, students residing in the attendance area 24 established by the renaissance school district for that property shall 25 be automatically enrolled in the renaissance school project, except 26 as otherwise provided in paragraph (2) of this subsection. The 27 parent or guardian of the student may determine not to enroll the 28 student in the renaissance school project, and in that case the 29 student shall be eligible for enrollment in another school in the 30 renaissance school district. If spaces remain available in the 31 renaissance school project, students shall be selected for the 32 remaining spaces through a lottery system. The first lottery shall 33 include students who attend a public school in the renaissance 34 school district but reside outside the attendance area of the renaissance school. If space remains available, a second lottery 35 36 shall be conducted that may include students who reside outside of 37 the renaissance school district. 38 (2) A renaissance school project built on land owned by the New 39 Jersey Schools Development Authority or the renaissance school 40 district, shall allow any student who was enrolled in the renaissance 41 school project in the immediately preceding school year to enroll in 42 the renaissance school project in the appropriate grade unless the 43 appropriate grade is not offered; and if a grade is at capacity, a 44 student enrolled in the immediately preceding school year shall 45 have priority for enrollment in that grade over a student who would 46 otherwise be eligible for initial enrollment in the renaissance school

47 project automatically based on the fact that he resides in the

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attendance area established by the renaissance school project for
 that property.

3 b. (1) In the case of a renaissance school project which is not 4 built on land owned by the New Jersey Schools Development 5 Authority or the renaissance school district, preference for 6 enrollment in the renaissance school project shall be given to 7 students who reside in the attendance area identified in the 8 application submitted by the nonprofit entity and approved by the 9 commissioner for the renaissance school project. In no case may an 10 attendance area include an area outside of the renaissance school 11 If spaces remain available in the renaissance school district. 12 project, then the renaissance school project may select students for 13 the remaining spaces through a lottery system. The first lottery 14 shall include students who attend a public school in the renaissance 15 school district but reside outside the attendance area identified in 16 the application approved by the commissioner for the renaissance 17 school project. If space remains available, a second lottery shall be 18 conducted that may include students who reside outside of the 19 renaissance school district. 20 (2) A renaissance school project which is not built on land

21 owned by the New Jersey Schools Development Authority or the 22 renaissance school district shall allow any student who was enrolled 23 in the renaissance school project in the immediately preceding 24 school year to enroll in the renaissance school project in the 25 appropriate grade unless the appropriate grade is not offered.

In developing and executing its selection process, the nonprofit entity shall not discriminate on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a handicapped person, proficiency in the English language, or any other basis that would be illegal if used by a school district. A nonprofit entity may, however, limit admission to a particular grade level or levels consistent with its organizational document.

- 33 (cf: P.L.2011, c.176, s.8)
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5. (New section) A renaissance school project shall comply with the provisions of chapter 46 of Title 18A of the New Jersey Statutes concerning the provision of services to students with disabilities; except that the fiscal responsibility for any student currently enrolled in or determined to require a private day or residential school shall remain with the district of residence.

Within 15 days of the signing of the individualized education plan, a renaissance school project shall provide notice to the resident district of any individualized education plan which results in a private day or residential placement. The resident district may challenge the placement within 30 days in accordance with the procedures established by law.

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6. (New section) A renaissance school project shall be a local
 education agency only for the purpose of applying for federal
 entitlement and discretionary funds.

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5 7. (New section) a. Notwithstanding the provisions of 6 N.J.S.18A:24-10 or any other section of law to the contrary, the 7 board of education of a Type II renaissance school district without a 8 board of school estimate may issue bonds without the approval of 9 the voters of the district in order to finance the construction of a 10 renaissance school project. In the case of a Type I renaissance 11 school district or a Type II renaissance school district with a board 12 of school estimate, notwithstanding the provisions of N.J.S.18A:24-11, N.J.S.18A:24-12, or any other section of law to the contrary, 13 14 such bonds may be issued by the municipality without the approval 15 of the board of school estimate or the adoption of a municipal 16 ordinance as applicable. In the case of a school district under full 17 State intervention or partial State intervention in which the 18 governance component of school district effectiveness has not been 19 returned to the district, notwithstanding the provisions of P.L.1991, 20 c.139 (C.18A:7A-46.1 et seq.) or any other section of law to the 21 contrary, such bonds may be issued without the approval of the 22 capital project control board.

23 The issuance of the bonds shall be approved by the board of 24 education of the renaissance school district, or the State district 25 superintendent in the case of a school district under full State 26 intervention or partial State intervention in which the governance 27 component has not been returned to the district. The approval shall be evidenced by the adoption of a resolution by the board of 28 29 education in a public meeting upon an affirmative vote of two-30 thirds of its full membership certifying the support of the board for 31 the issuance of the bonds, or if the school district is under full or 32 partial State intervention and the governance component has not 33 been returned to the district, a certification, affidavit, or other sworn 34 statement signed by the State district superintendent supporting the 35 issuance.

b. Notwithstanding the provisions of any law to the contrary, a
county or county improvement authority may issue bonds in order
to finance the construction of a renaissance school project.

provisions of N.J.S.18A:22-20, 39 Notwithstanding the c. 40 N.J.S.18A:22-30, or any other section of law to the contrary, the 41 principal of and interest on the bonds issued pursuant to this section 42 shall be repaid with funds of the entity or entities owning or 43 operating the renaissance school project for which the bonds have 44 been issued, except as otherwise provided by subsection d. of this 45 section. To secure the repayment of the principal of and interest on 46 the bonds issued pursuant to this section, the board of education, the 47 State district superintendent, the municipality, the county, or the 48 county improvement authority, as applicable, shall enter into an

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agreement with the entity or entities owning or operating the renaissance school project, which agreement shall include the total amount of bonded indebtedness to be repaid, the schedule of required debt service payments, and the total amount of each individual debt service payment. The commissioner shall approve any agreement entered into pursuant to this section prior to the issuance of the bonds.

d. Bonds issued by a school district, municipality, or county to
finance a renaissance school project pursuant to this section, shall
be entitled to the benefits of the "New Jersey School Bond Reserve
Act," P.L.1980, c.72 (C.18A:56-17 et seq.).

e. The provisions of P.L.1969, c.130 (C.18A:24-61.1 et seq.)
shall be applicable to bonds issued pursuant to this section.

14 f. In the event the authorization to operate a renaissance school 15 project is terminated or expires for any reason, and no substitute or 16 replacement owner or operator for that renaissance school project 17 has been approved by the State prior to the termination or 18 expiration date, title to the renaissance school project shall revert to 19 the board of education of the renaissance school district for 20 consideration in an amount calculated as follows:

21 (1) if the principal of and interest due on any outstanding bonds 22 issued pursuant to this section to finance the renaissance school 23 project is equal to or greater than the fair market value of the 24 renaissance school project, as determined by a certified appraiser 25 agreed to by the renaissance school district and the owner of the 26 renaissance school project, the renaissance school district shall 27 assume any outstanding bonds issued pursuant to this section to 28 finance the renaissance school project, and thereafter the 29 renaissance school district shall be legally obligated for the 30 payment thereof; or

31 (2) if the fair market value of the renaissance school project is 32 greater than the amount of the principal of and interest due on the 33 outstanding bonds issued pursuant to this section to finance the 34 renaissance school project, the renaissance school district shall pay 35 to the owner of the renaissance school project the fair market value 36 of the renaissance school project, provided that, to the extent that 37 any bonds issued pursuant to this section to finance the renaissance school project are then outstanding, the owner of the renaissance 38 39 school project shall utilize the funds received from the renaissance 40 school district pursuant to this paragraph to retire the outstanding 41 bonds.

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8. (New section) Notwithstanding any law, rule, or regulation to
the contrary, a renaissance school district is authorized to enter into
an agreement with an owner or operator of a renaissance school
project for the occupancy, use, or both, of all or a portion of the
school facility constituting the renaissance school project which is

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1 not immediately necessary for the operation of the renaissance 2 school project. 3 9. (New section) Notwithstanding any law, rule, or regulation to 4 5 the contrary, the New Jersey Housing and Mortgage Finance Agency is authorized to provide funding for the construction of a 6 7 dormitory within a renaissance school project pursuant to P.L.1983, 8 c.530 (C.55:14K-1 et seq.). 9 10 10. (New section) Notwithstanding the provisions of R.S.52:14-11 7 or any other law, rule, or regulation to the contrary, the 12 Commissioner of Education may permit an individual employed by any public school located within a renaissance school district to 13 establish New Jersey residency within five years of the date of his 14 15 initial employment. 16 17 11. (New section) A renaissance school project shall not be subject to the facility efficiency standards developed by the 18 19 Commissioner of Education pursuant to subsection h. of section 4 20 of P.L.2000, c. 72 (C.18A:7G-4). 21 22 12. This act shall take effect immediately and shall apply to all 23 renaissance school projects regardless of the date upon which they 24 were approved. 25 26 27 **STATEMENT** 28 29 The "Urban Hope Act," P.L.2011, c.176 (C.18A:36C-1 et seq.), 30 authorized the Camden, Newark, and Trenton School Districts to, on a limited pilot program basis, partner with one or more nonprofit 31 32 entities to create "renaissance school projects." The renaissance 33 school projects are designed to provide the children in these 34 districts with another option for receiving educational services. 35 This bill would: (1) eliminate the requirement that a renaissance school project, 36 37 which is defined as consisting of a newly-constructed school or group of schools, must be in a common campus setting, instead 38 39 permitting the schools of a renaissance school project to be in an 40 urban campus area, which is defined as the area within a two-mile radius of the site of the initial school of a renaissance school 41 42 project; 43 (2) eliminate the requirement that the application submitted by 44 the nonprofit entity to create a renaissance school project must 45 include an address for the school facility or facilities in which the 46 renaissance school project will be located; 47 (3) require that the application submitted by the nonprofit entity 48 to create a renaissance school project must include documentation

1 of a funding plan to acquire necessary lands to construct the project, 2 and eliminate the requirement for documentation of the funds 3 available to construct the project and, if the project will include the 4 acquisition of land, a description of the land to be acquired, the 5 costs and timetable for the acquisition, and the plan for financing 6 the acquisition;

7 (4) include a requirement, similar to that included for charter 8 schools, that the renaissance school project allow any student who 9 was enrolled in the school in the immediately preceding school year 10 to enroll in the school in the appropriate grade the following year. 11 In addition, the bill provides that for certain types of renaissance 12 school projects, in the case of a grade level at capacity, a student who has been enrolled in the renaissance school project will have 13 14 enrollment priority in that grade over a student who has just moved 15 into the attendance area and who would, therefore, otherwise be 16 eligible for automatic enrollment;

17 (5) explicitly permit renaissance school projects to provide18 educational programs at the pre-kindergarten grade level;

(6) provide that, as with charter schools, renaissance school
projects be considered local education agencies for the limited
purpose of applying for federal entitlement and discretionary funds;

22 (7) provide that, as with charter schools, the renaissance school 23 project must inform the resident school district of any 24 individualized education plan which results in a private day or 25 residential treatment plan for a student, and the resident district 26 would be permitted a certain period of time to challenge that 27 The resident school district would have the fiscal placement. 28 responsibility for any student enrolled in a private day or residential 29 school;

30 (8) authorize the board of education of a Type II renaissance 31 school district to issue bonds without voter approval to finance the 32 construction of a renaissance school project. In the case of a Type 33 II renaissance school district with a board of school estimate or a 34 Type I renaissance school district, bonds may be issued without the 35 approval of the board of school estimate or the adoption of a 36 municipal ordinance, as applicable. The bill also authorizes a 37 county or county improvement authority to issue bonds to finance 38 the construction of a renaissance school project. The principal of 39 and interest due on any bonds issued to finance the project would be 40 repaid with the funds of the entity or entities owning or operating 41 the renaissance school project. The board of education, the State 42 district superintendent, the municipality, the county, or the county 43 improvement authority, as applicable, would enter into an 44 agreement with the entity or entities owning or operating the 45 project, which agreement would include the total amount of bonded 46 indebtedness to be repaid and the schedule of required debt service 47 payments. The commissioner would have to approve each such 48 agreement.

Bonds issued by a school district, municipality, or county to finance a renaissance school project will be entitled to the benefits of the "New Jersey School Bond Reserve Act." The school bond reserve is pledged by law to secure payments of principal and interest due on bonds issued for school purposes in the event of the inability of the issuer to make payment;

(9) implement, in the case of a renaissance school project which
is not built on land owned by the New Jersey Schools Development
Authority (SDA) or the renaissance school district, a lottery process
for enrollment in the renaissance school project that is the same as
the lottery process for a renaissance school project built on land
owned by the SDA or the renaissance school district;

(10) permit one of the renaissance school projects in a
renaissance school district to include a dormitory and related
facilities;

16 (11) permit a renaissance school district to enter into an 17 agreement with an owner or operator of a renaissance school project 18 which would allow the district to use or occupy the facilities of a 19 renaissance school project when the facilities are not immediately 20 necessary for the operation of the renaissance school project;

(12) authorize the New Jersey Housing and Mortgage Finance
Agency to provide funding for the construction of dormitories
within a renaissance school project;

(13) authorize the Commissioner of Education to allow
individuals who reside outside of the State to be employed at any
public school located within a renaissance school district, which
would include a school of a renaissance school project, a school of
the local district, and a charter school, provided the individuals
establish residency in the State within five years of their initial date
of employment;

(14) provide that a renaissance school project is not subject tothe facilities efficiency standards; and

(15) provide that the provisions of the bill apply to all
renaissance school projects, including those approved prior to the
effective date of the bill.

## SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

## **SENATE, No. 2821**

with committee amendments

# **STATE OF NEW JERSEY**

#### DATED: JUNE 24, 2013

The Senate Budget and Appropriations committee favorably reports Senate Bill No. 2821, with committee amendments.

As amended, this bill makes various changes to the Urban Hope Act including the financing and siting of renaissance school projects.

The "Urban Hope Act," P.L.2011, c.176 (C.18A:36C-1 et seq.), authorized the Camden, Newark, and Trenton School Districts to, on a limited pilot program basis, partner with one or more nonprofit entities to create "renaissance school projects."

This bill:

(1) eliminates the requirement that a renaissance school project, which is defined as consisting of a newly-constructed school or group of schools, must be in a common campus setting, instead permitting the schools of a renaissance school project to be in an urban campus area;

(2) requires that the application submitted by the nonprofit entity to create a renaissance school project must include an affirmation that after the initial school facility, any other school facility in which the renaissance school project will be located, will be within the required urban campus area;

(3) requires that the application submitted by the nonprofit entity to create a renaissance school project must include documentation of a funding plan to acquire necessary lands to construct the project, and eliminate the requirement for documentation of the funds available to construct the project and, if the project will include the acquisition of land, a description of the land to be acquired, the costs and timetable for the acquisition, and the plan for financing the acquisition;

(4) includes a requirement, similar to that included for charter schools, that the renaissance school project allow any student who was enrolled in the school in the immediately preceding school year to enroll in the school in the appropriate grade the following year. In addition, the bill provides that for certain types of renaissance school projects, in the case of a grade level at capacity, a student who has been enrolled in the renaissance school project will have enrollment priority in that grade over a student who has just moved into the

attendance area and who would, therefore, otherwise be eligible for automatic enrollment;

(5) explicitly permits renaissance school projects to provide educational programs at the pre-kindergarten grade level;

(6) provides that, as with charter schools, renaissance school projects be considered local education agencies for the limited purpose of applying for federal entitlement and discretionary funds;

(7) provides that, as with charter schools, the renaissance school project must inform the resident school district of any individualized education plan which results in a private day or residential treatment plan for a student, and the resident district would be permitted a certain period of time to challenge that placement. The resident school district would have the fiscal responsibility for any student enrolled in a private day or residential school;

(8) implements, in the case of a renaissance school project which is not built on land owned by the New Jersey Schools Development Authority (SDA) or the renaissance school district, a lottery process for enrollment in the renaissance school project that is the same as the lottery process for a renaissance school project built on land owned by the SDA or the renaissance school district;

(9) permits one of the renaissance school projects in a renaissance school district to include a dormitory and related facilities;

(10) permits a renaissance school district to enter into an agreement with an owner or operator of a renaissance school project which would allow the district to use or occupy the facilities of a renaissance school project when the facilities are not immediately necessary for the operation of the renaissance school project;

(11) authorizes the Commissioner of Education to allow individuals who reside outside of the State to be employed at any renaissance school project or charter school located within a renaissance school district, provided the individuals establish residency in the State within five years of their initial date of employment;

(12) provides that a renaissance school project is not subject to the facilities efficiency standards; and

(13) provides that the provisions of the bill apply to all renaissance school projects, including those approved prior to the effective date of the bill.

#### COMMITTEE AMENDMENTS:

The amendments:

• Reduce the size of the urban campus area in which a renaissance school project must be located, except in the case in which a high school building is part of the project;

• Reinsert language requiring a renaissance school project application to include the address of the school facility, but only for the initial facility, and also add the requirement that an affirmation be included in the application that any other facility in which the renaissance school project will be located will be situated within the urban campus area. In the case of a school facility other than the initial school facility, the Commissioner of Education will be required to be notified of its location at least one year prior to its opening;

• Allow the first lottery conducted for enrollment in the renaissance school projects to include any student who resides in the renaissance school district. This lottery will no longer be restricted to public school students residing in the district;

• Eliminate language authorizing the New Jersey Housing and Mortgage Finance Agency to provide funding for construction of dormitories within a renaissance school project;

• Limit to only the employees of renaissance school projects and charter schools in the renaissance school district the ability, with the Commissioner of Education's permission, to establish residency within five years of the date of initial employment. Under the bill as introduced, this right was also available to traditional public school employees; and

• Eliminate language permitting the board of education or the municipality of a renaissance school district to issue bonds in order to finance the construction of a renaissance school project.

#### FISCAL IMPACT:

This bill, as amended, may lead to an increase in State expenditures in the form of additional State school aid provided to a renaissance school district. Under current law, a renaissance school project first enrolls students who reside in the designated attendance area. Under the bill, if space remains available after enrolling these students, students who reside in the renaissance school district, but outside the attendance area, may enter a lottery for enrollment in the renaissance school project. This creates the possibility that a student who attends a nonpublic school may enroll in the renaissance school project, potentially increasing the amount of State school aid that the renaissance school district receives. Given the uncertainty of whether or not space would be available after enrolling students who reside in the attendance area, it is not possible to estimate the potential increase in aid.

# ASSEMBLY, No. 4194 STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED JUNE 10, 2013

Sponsored by: Assemblyman ANGEL FUENTES District 5 (Camden and Gloucester)

#### **SYNOPSIS**

Makes various changes to the Urban Hope Act including the financing and siting of renaissance school projects.

#### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning renaissance school projects and amending and 2 supplementing P.L.2011, c.176. 3 4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. Section 3 of P.L.2011, c.176 (C.18A:36C-3) is amended to 8 read as follows: 9 3. As used in this act: 10 "Commissioner" means the Commissioner of Education. 11 "Failing district" means: in accordance with data from the 12 Statewide assessment reports issued by the Department of Education (1) in the case of a school district located in a city of the 13 first class, a school district in which at least 40% of the students 14 15 scored in the partially proficient range in the language arts and 16 mathematics sections of each State assessment administered in the 17 2009-2010 school year; and (2) in the case of a school district located in a city of the second class, a school district in which at 18 19 least 45% of the students scored in the partially proficient range in 20 the language arts and mathematics sections of each State assessment administered in the 2009-2010 school year. 21 22 "Per pupil expenditure" means the sum of the budget year 23 equalization aid per pupil, budget year adjustment aid per pupil, and 24 the prebudget year general fund tax levy per pupil inflated by the 25 CPI rate most recent to the calculation. 26 "School facility" means and includes any structure, building, or 27 facility used wholly or in part for educational purposes by the students of a school district. 28 29 "Renaissance school district" is a failing district in which 30 renaissance school projects shall be established. 31 "Renaissance school project" means a newly-constructed school, or group of schools in [a common campus setting] an urban 32 33 campus area, that provides an educational program for students 34 enrolled in grades **[K]** <u>pre-K</u> through 12 or in a grade range less 35 than **[K]** <u>pre-K</u> through 12, that is agreed to by the school district, 36 and is operated and managed by a nonprofit entity in a renaissance 37 school district. A renaissance school project may include a 38 dormitory and related facilities as permitted pursuant to section 5 of 39 P.L.2011, c.176 (C.18A:36C-5). 40 "Urban campus area" means the area within a two-mile radius of 41 the site of the initial school of a renaissance school project. 42 (cf: P.L.2011, c.176, s.3) 43 44 2. Section 4 of P.L.2011, c.176 (C.18A:36C-4) is amended to 45 read as follows:

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

Matter underlined <u>thus</u> is new matter.

1 4. a. A nonprofit entity, in partnership with the renaissance 2 school district, may submit to the commissioner an application to 3 create a renaissance school project no later than three years following the effective date of this act. A nonprofit entity seeking 4 5 to create a renaissance school project shall have experience in 6 operating a school in a high-risk, low-income urban district. In 7 addition, an entity retained by the nonprofit entity for the purpose 8 of financing or constructing the renaissance school project shall 9 also have appropriate experience.

b. The application shall be in a form prescribed by thecommissioner, but at a minimum it shall contain the following:

12 (1) except as otherwise provided in this paragraph, a resolution adopted in a public meeting by the board of education of the 13 14 renaissance school district in which the renaissance school project 15 will be located certifying the support of the board for the 16 application. In the case of a district under full or partial State 17 intervention with an advisory board of education, the application 18 shall contain evidence that that State district superintendent or 19 superintendent, as applicable, convened at least three public 20 meetings to discuss the merits of the renaissance school project. The evidence shall include, at a minimum, any written public 21 22 comments received during those meetings. In the case of these 23 districts, the application shall contain a resolution from the advisory 24 board of education reflecting the board's approval or disapproval of 25 the renaissance school project. While a successful application does 26 not require approval from the advisory board of education, the 27 commissioner, in considering the application, shall give due 28 consideration to any disapproval from the advisory board;

(2) a copy of the amendment to the renaissance school district's
long-range facilities plan which has been submitted to the
commissioner pursuant to section 4 of P.L.2000, c.72 (C.18A:7G-4)
that includes the proposed renaissance school project;

(3) the educational goals of the renaissance school project, the
curriculum to be offered, and the methods of assessing whether
students are meeting the proffered educational goals;

36 (4) any testing and academic performance standards to be
37 mandated by the renaissance school project beyond those required
38 by State law and regulation;

39 (5) the admission policy and criteria for evaluating the
40 admission of students to the renaissance school project, which shall
41 comply with the provisions of section 8 of this act;

42 (6) the age or grade range of students to be enrolled in the43 renaissance school project;

44 (7) the total number of students to be enrolled in each grade45 level of the renaissance school project;

46 (8) the renaissance school project calendar and school day47 schedule;

1 (9) the financial plan for the renaissance school project and the 2 provisions that will be made for auditing pursuant to N.J.S.18A:23-3 1:

4 (10) a description of **[**, and address for, **]** the school facility or 5 facilities in which the renaissance school project will be located;

6 (11) documentation that the proposed renaissance school project 7 meets [the facilities efficiency standards developed by the 8 commissioner pursuant to subsection h. of section 4 of P.L.2000, 9 (C.18A:7G-4), and any school facility regulations c.72 promulgated by the State Board of Education or the Department of 10 Community Affairs, other than the facilities efficiency standards 11 developed by the Commissioner of Education pursuant to 12 13 subsection h. of section 4 of P.L.2000, c.72 (C.18A:7G-4);

14 (12) documentation of the funds available to construct the 15 renaissance school project] a funding plan to acquire necessary 16 lands and to construct a renaissance school project thereon, 17 including the terms of any financing secured for such purpose;

18 (13) **[**if the renaissance school project includes the acquisition of 19 land, the application shall include, at a minimum: (a) a description 20 of the land to be acquired; (b) the costs of acquisition; (c) the 21 timetable for acquisition; and (d) the plan for financing the 22 acquisition; (Deleted by amendment, P.L., c.) (pending before 23 the Legislature as this bill)

(14) identification of the attendance area of the renaissance 24 25 school project, if the renaissance school project will not be built on land owned by the New Jersey Schools Development Authority or 26 27 the renaissance school district;

28 (15) a description of the process employed by the renaissance 29 school district to find and partner with the chosen nonprofit entity 30 to create a renaissance school project. The description shall be 31 sufficient to show that the process employed by the renaissance 32 school district was open, fair, and subject to public input and 33 The description shall, at a minimum, include any comment. 34 requests for proposals issued by the renaissance school district, the 35 number of responses received, and the process and criteria 36 employed by the renaissance school district to select the chosen 37 nonprofit entity among the respondents; and

38 (16) such other information as the commissioner may require.

- 39 (cf: P.L.2011, c.176, s.4)
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41 3. Section 5 of P.L.2011, c.176 (C.18A:36C-5) is amended to 42 read as follows:

43 5. The commissioner may not approve more than four 44 renaissance school projects in any one renaissance school district. 45 The commissioner may approve no more than one renaissance 46 school project with a dormitory and related facilities in any one 47 renaissance school district. Nothing in this act shall prohibit a

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1 renaissance school project that provides an educational program for 2 a grade range less than **[K]** <u>pre-K</u> through 12 from expanding grade 3 levels after the approval by the commissioner of the initial 4 application. 5 In reviewing and judging applications for renaissance school 6 projects, the factors considered by the commissioner may include, 7 but not be limited to: 8 The likelihood that the renaissance school project will 9 improve academic achievement in the renaissance school district; 10 The strength of the support for the renaissance school project b. 11 from the school district, board of education, and parents; 12 c. The facilities plan for the renaissance school project; 13 Diversity of school type, elementary school, middle school, d. 14 and high school, among the proposed renaissance school projects; 15 and 16 e. Any other factors deemed significant by the commissioner. 17 (cf: P.L.2011, c.176, s.5) 18 19 4. Section 8 of P.L.2011, c.176 (C.18A:36C-8) is amended to 20 read as follows: 21 8. a. (1) In the case of a renaissance school project built on 22 land owned by the New Jersey Schools Development Authority or 23 the renaissance school district, students residing in the attendance 24 area established by the renaissance school district for that property 25 shall be automatically enrolled in the renaissance school project, 26 except as otherwise provided in paragraph (2) of this subsection. 27 The parent or guardian of the student may determine not to enroll 28 the student in the renaissance school project, and in that case the 29 student shall be eligible for enrollment in another school in the 30 renaissance school district. If spaces remain available in the 31 renaissance school project, students shall be selected for the 32 remaining spaces through a lottery system. The first lottery shall 33 include students who attend a public school in the renaissance 34 school district but reside outside the attendance area of the renaissance school. If space remains available, a second lottery 35 36 shall be conducted that may include students who reside outside of 37 the renaissance school district. 38 (2) A renaissance school project built on land owned by the 39 New Jersey Schools Development Authority or the renaissance 40 school district, shall allow any student who was enrolled in the 41 renaissance school project in the immediately preceding school year 42 to enroll in the renaissance school project in the appropriate grade 43 unless the appropriate grade is not offered; and if a grade is at 44 capacity, a student enrolled in the immediately preceding school 45 year shall have priority for enrollment in that grade over a student 46 who would otherwise be eligible for initial enrollment in the 47 renaissance school project automatically based on the fact that he

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resides in the attendance area established by the renaissance school
 project for that property.

b. (1) In the case of a renaissance school project which is not 3 4 built on land owned by the New Jersey Schools Development 5 Authority or the renaissance school district, preference for 6 enrollment in the renaissance school project shall be given to 7 students who reside in the attendance area identified in the 8 application submitted by the nonprofit entity and approved by the 9 commissioner for the renaissance school project. In no case may an 10 attendance area include an area outside of the renaissance school 11 If spaces remain available in the renaissance school district. 12 project, then the renaissance school project may select students for the remaining spaces through a lottery system. The first lottery 13 14 shall include students who attend a public school in the renaissance 15 school district but reside outside the attendance area identified in 16 the application approved by the commissioner for the renaissance 17 school project. If space remains available, a second lottery shall be 18 conducted that may include students who reside outside of the 19 renaissance school district. 20 (2) A renaissance school project which is not built on land

<u>(2) A rehaissance school project which is not built on land</u>
 <u>owned by the New Jersey Schools Development Authority or the</u>
 renaissance school district shall allow any student who was enrolled
 in the renaissance school project in the immediately preceding
 <u>school year to enroll in the renaissance school project in the</u>
 appropriate grade unless the appropriate grade is not offered.

In developing and executing its selection process, the nonprofit entity shall not discriminate on the basis of intellectual or athletic ability, measures of achievement or aptitude, status as a handicapped person, proficiency in the English language, or any other basis that would be illegal if used by a school district. A nonprofit entity may, however, limit admission to a particular grade level or levels consistent with its organizational document.

- 33 (cf: P.L.2011, c.176, s.8)
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5. (New section) A renaissance school project shall comply with the provisions of chapter 46 of Title 18A of the New Jersey Statutes concerning the provision of services to students with disabilities; except that the fiscal responsibility for any student currently enrolled in or determined to require a private day or residential school shall remain with the district of residence.

Within 15 days of the signing of the individualized education plan, a renaissance school project shall provide notice to the resident district of any individualized education plan which results in a private day or residential placement. The resident district may challenge the placement within 30 days in accordance with the procedures established by law.

6. (New section) A renaissance school project shall be a local
 education agency only for the purpose of applying for federal
 entitlement and discretionary funds.

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5 7. (New section) a. Notwithstanding the provisions of 6 N.J.S.18A:24-10 or any other section of law to the contrary, the 7 board of education of a Type II renaissance school district without a 8 board of school estimate may issue bonds without the approval of 9 the voters of the district in order to finance the construction of a 10 renaissance school project. In the case of a Type I renaissance 11 school district or a Type II renaissance school district with a board 12 of school estimate, notwithstanding the provisions of N.J.S.18A:24-13 11, N.J.S.18A:24-12, or any other section of law to the contrary, 14 such bonds may be issued by the municipality without the approval 15 of the board of school estimate or the adoption of a municipal 16 ordinance as applicable. In the case of a school district under full 17 State intervention or partial State intervention in which the 18 governance component of school district effectiveness has not been 19 returned to the district, notwithstanding the provisions of P.L.1991, 20 c.139 (C.18A:7A-46.1 et seq.) or any other section of law to the 21 contrary, such bonds may be issued without the approval of the 22 capital project control board.

23 The issuance of the bonds shall be approved by the board of 24 education of the renaissance school district, or the State district 25 superintendent in the case of a school district under full State 26 intervention or partial State intervention in which the governance 27 component has not been returned to the district. The approval shall be evidenced by the adoption of a resolution by the board of 28 29 education in a public meeting upon an affirmative vote of two-30 thirds of its full membership certifying the support of the board for 31 the issuance of the bonds, or if the school district is under full or 32 partial State intervention and the governance component has not 33 been returned to the district, a certification, affidavit, or other sworn 34 statement signed by the State district superintendent supporting the 35 issuance.

b. Notwithstanding the provisions of any law to the contrary, a
county or county improvement authority may issue bonds in order
to finance the construction of a renaissance school project.

39 Notwithstanding the provisions of N.J.S.18A:22-20, c. 40 N.J.S.18A:22-30, or any other section of law to the contrary, the 41 principal of and interest on the bonds issued pursuant to this section 42 shall be repaid with funds of the entity or entities owning or 43 operating the renaissance school project for which the bonds have 44 been issued, except as otherwise provided by subsection d. of this 45 section. To secure the repayment of the principal of and interest on 46 the bonds issued pursuant to this section, the board of education, the 47 State district superintendent, the municipality, the county, or the 48 county improvement authority, as applicable, shall enter into an

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agreement with the entity or entities owning or operating the renaissance school project, which agreement shall include the total amount of bonded indebtedness to be repaid, the schedule of required debt service payments, and the total amount of each individual debt service payment. The commissioner shall approve any agreement entered into pursuant to this section prior to the issuance of the bonds.

d. Bonds issued by a school district, municipality, or county to
finance a renaissance school project pursuant to this section, shall
be entitled to the benefits of the "New Jersey School Bond Reserve
Act," P.L.1980, c.72 (C.18A:56-17 et seq.).

e. The provisions of P.L.1969, c.130 (C.18A:24-61.1 et seq.)
shall be applicable to bonds issued pursuant to this section.

14 f. In the event the authorization to operate a renaissance school 15 project is terminated or expires for any reason, and no substitute or 16 replacement owner or operator for that renaissance school project 17 has been approved by the State prior to the termination or 18 expiration date, title to the renaissance school project shall revert to 19 the board of education of the renaissance school district for 20 consideration in an amount calculated as follows:

21 (1) if the principal of and interest due on any outstanding bonds 22 issued pursuant to this section to finance the renaissance school 23 project is equal to or greater than the fair market value of the 24 renaissance school project, as determined by a certified appraiser 25 agreed to by the renaissance school district and the owner of the 26 renaissance school project, the renaissance school district shall 27 assume any outstanding bonds issued pursuant to this section to 28 finance the renaissance school project, and thereafter the 29 renaissance school district shall be legally obligated for the 30 payment thereof; or

31 (2) if the fair market value of the renaissance school project is 32 greater than the amount of the principal of and interest due on the 33 outstanding bonds issued pursuant to this section to finance the 34 renaissance school project, the renaissance school district shall pay 35 to the owner of the renaissance school project the fair market value 36 of the renaissance school project, provided that, to the extent that 37 any bonds issued pursuant to this section to finance the renaissance school project are then outstanding, the owner of the renaissance 38 39 school project shall utilize the funds received from the renaissance 40 school district pursuant to this paragraph to retire the outstanding 41 bonds.

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8. (New section) Notwithstanding any law, rule, or regulation
to the contrary, a renaissance school district is authorized to enter
into an agreement with an owner or operator of a renaissance school
project for the occupancy, use, or both, of all or a portion of the
school facility constituting the renaissance school project which is

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1 not immediately necessary for the operation of the renaissance 2 school project. 3 9. (New section) Notwithstanding any law, rule, or regulation 4 5 to the contrary, the New Jersey Housing and Mortgage Finance Agency is authorized to provide funding for the construction of a 6 7 dormitory within a renaissance school project pursuant to P.L.1983, 8 c.530 (C.55:14K-1 et seq.). 9 10 10. (New section) Notwithstanding the provisions of R.S.52:14-11 7 or any other law, rule, or regulation to the contrary, the 12 Commissioner of Education may permit an individual employed by any public school located within a renaissance school district to 13 establish New Jersey residency within five years of the date of his 14 15 initial employment. 16 17 11. (New section) A renaissance school project shall not be subject to the facility efficiency standards developed by the 18 19 Commissioner of Education pursuant to subsection h. of section 4 20 of P.L.2000, c. 72 (C.18A:7G-4). 21 22 12. This act shall take effect immediately and shall apply to all 23 renaissance school projects regardless of the date upon which they 24 were approved. 25 26 27 **STATEMENT** 28 29 The "Urban Hope Act," P.L.2011, c.176 (C.18A:36C-1 et seq.), 30 authorized the Camden, Newark, and Trenton School Districts to, on a limited pilot program basis, partner with one or more nonprofit 31 32 entities to create "renaissance school projects." The renaissance 33 school projects are designed to provide the children in these 34 districts with another option for receiving educational services. 35 This bill would: (1) eliminate the requirement that a renaissance school project, 36 37 which is defined as consisting of a newly-constructed school or group of schools, must be in a common campus setting, instead 38 39 permitting the schools of a renaissance school project to be in an 40 urban campus area, which is defined as the area within a two-mile radius of the site of the initial school of a renaissance school 41 42 project; 43 (2) eliminate the requirement that the application submitted by 44 the nonprofit entity to create a renaissance school project must 45 include an address for the school facility or facilities in which the 46 renaissance school project will be located; 47 (3) require that the application submitted by the nonprofit entity 48 to create a renaissance school project must include documentation

of a funding plan to acquire necessary lands to construct the project, and eliminate the requirement for documentation of the funds available to construct the project and, if the project will include the acquisition of land, a description of the land to be acquired, the costs and timetable for the acquisition, and the plan for financing the acquisition;

7 (4) include a requirement, similar to that included for charter 8 schools, that the renaissance school project allow any student who 9 was enrolled in the school in the immediately preceding school year 10 to enroll in the school in the appropriate grade the following year. 11 In addition, the bill provides that for certain types of renaissance 12 school projects, in the case of a grade level at capacity, a student 13 who has been enrolled in the renaissance school project will have 14 enrollment priority in that grade over a student who has just moved 15 into the attendance area and who would, therefore, otherwise be 16 eligible for automatic enrollment;

(5) explicitly permit renaissance school projects to provideeducational programs at the pre-kindergarten grade level;

(6) provide that, as with charter schools, renaissance school
projects be considered local education agencies for the limited
purpose of applying for federal entitlement and discretionary funds;

22 (7) provide that, as with charter schools, the renaissance school 23 project must inform the resident school district of any 24 individualized education plan which results in a private day or 25 residential treatment plan for a student, and the resident district 26 would be permitted a certain period of time to challenge that 27 The resident school district would have the fiscal placement. 28 responsibility for any student enrolled in a private day or residential 29 school;

30 (8) authorize the board of education of a Type II renaissance 31 school district to issue bonds without voter approval to finance the 32 construction of a renaissance school project. In the case of a Type 33 II renaissance school district with a board of school estimate or a 34 Type I renaissance school district, bonds may be issued without the 35 approval of the board of school estimate or the adoption of a 36 municipal ordinance, as applicable. The bill also authorizes a 37 county or county improvement authority to issue bonds to finance 38 the construction of a renaissance school project. The principal of 39 and interest due on any bonds issued to finance the project would be 40 repaid with the funds of the entity or entities owning or operating 41 the renaissance school project. The board of education, the State 42 district superintendent, the municipality, the county, or the county 43 improvement authority, as applicable, would enter into an 44 agreement with the entity or entities owning or operating the 45 project, which agreement would include the total amount of bonded 46 indebtedness to be repaid and the schedule of required debt service 47 payments. The commissioner would have to approve each such 48 agreement.

1 Bonds issued by a school district, municipality, or county to 2 finance a renaissance school project will be entitled to the benefits 3 of the "New Jersey School Bond Reserve Act." The school bond reserve is pledged by law to secure payments of principal and 4 5 interest due on bonds issued for school purposes in the event of the 6 inability of the issuer to make payment;

7 (9) implement, in the case of a renaissance school project which 8 is not built on land owned by the New Jersey Schools Development 9 Authority (SDA) or the renaissance school district, a lottery process 10 for enrollment in the renaissance school project that is the same as 11 the lottery process for a renaissance school project built on land 12 owned by the SDA or the renaissance school district;

13 (10) permit one of the renaissance school projects in a 14 renaissance school district to include a dormitory and related 15 facilities;

16 (11) permit a renaissance school district to enter into an agreement with an owner or operator of a renaissance school project 17 which would allow the district to use or occupy the facilities of a 18 19 renaissance school project when the facilities are not immediately 20 necessary for the operation of the renaissance school project;

21 (12) authorize the New Jersey Housing and Mortgage Finance 22 Agency to provide funding for the construction of dormitories 23 within a renaissance school project;

24 (13) authorize the Commissioner of Education to allow 25 individuals who reside outside of the State to be employed at any 26 public school located within a renaissance school district, which 27 would include a school of a renaissance school project, a school of the local district, and a charter school, provided the individuals 28 29 establish residency in the State within five years of their initial date 30 of employment;

31 (14) provide that a renaissance school project is not subject to 32 the facilities efficiency standards; and

33 (15) provide that the provisions of the bill apply to all 34 renaissance school projects, including those approved prior to the effective date of the bill. 35

## ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4194

with committee amendments

# **STATE OF NEW JERSEY**

#### DATED: JUNE 20, 2013

The Assembly Budget Committee reports favorably Assembly Bill No. 4194, with committee amendments.

As amended, this bill makes various changes to the Urban Hope Act including the financing and siting of renaissance school projects.

The "Urban Hope Act," P.L.2011, c.176 (C.18A:36C-1 et seq.), authorized the Camden, Newark, and Trenton School Districts to, on a limited pilot program basis, partner with one or more nonprofit entities to create "renaissance school projects."

This bill:

(1) eliminates the requirement that a renaissance school project, which is defined as consisting of a newly-constructed school or group of schools, must be in a common campus setting, instead permitting the schools of a renaissance school project to be in an urban campus area;

(2) requires that the application submitted by the nonprofit entity to create a renaissance school project must include an affirmation that after the initial school facility, any other school facility in which the renaissance school project will be located, will be within the required urban campus area;

(3) requires that the application submitted by the nonprofit entity to create a renaissance school project must include documentation of a funding plan to acquire necessary lands to construct the project, and eliminate the requirement for documentation of the funds available to construct the project and, if the project will include the acquisition of land, a description of the land to be acquired, the costs and timetable for the acquisition, and the plan for financing the acquisition;

(4) includes a requirement, similar to that included for charter schools, that the renaissance school project allow any student who was enrolled in the school in the immediately preceding school year to enroll in the school in the appropriate grade the following year. In addition, the bill provides that for certain types of renaissance school projects, in the case of a grade level at capacity, a student who has been enrolled in the renaissance school project will have enrollment priority in that grade over a student who has just moved into the

attendance area and who would, therefore, otherwise be eligible for automatic enrollment;

(5) explicitly permits renaissance school projects to provide educational programs at the pre-kindergarten grade level;

(6) provides that, as with charter schools, renaissance school projects be considered local education agencies for the limited purpose of applying for federal entitlement and discretionary funds;

(7) provides that, as with charter schools, the renaissance school project must inform the resident school district of any individualized education plan which results in a private day or residential treatment plan for a student, and the resident district would be permitted a certain period of time to challenge that placement. The resident school district would have the fiscal responsibility for any student enrolled in a private day or residential school;

(8) implements, in the case of a renaissance school project which is not built on land owned by the New Jersey Schools Development Authority (SDA) or the renaissance school district, a lottery process for enrollment in the renaissance school project that is the same as the lottery process for a renaissance school project built on land owned by the SDA or the renaissance school district;

(9) permits one of the renaissance school projects in a renaissance school district to include a dormitory and related facilities;

(10) permits a renaissance school district to enter into an agreement with an owner or operator of a renaissance school project which would allow the district to use or occupy the facilities of a renaissance school project when the facilities are not immediately necessary for the operation of the renaissance school project;

(11) authorizes the New Jersey Housing and Mortgage Finance Agency to provide funding for the construction of dormitories within a renaissance school project;

(12) authorizes the Commissioner of Education to allow individuals who reside outside of the State to be employed at any renaissance school project or charter school located within a renaissance school district, provided the individuals establish residency in the State within five years of their initial date of employment;

(13) provides that a renaissance school project is not subject to the facilities efficiency standards; and

(14) provides that the provisions of the bill apply to all renaissance school projects, including those approved prior to the effective date of the bill.

#### FISCAL IMPACT:

This bill was not certified as requiring a fiscal note.

#### COMMITTEE AMENDMENTS:

The amendments:

• Reduce the size of the urban campus area in which a renaissance school project must be located if the project does not include a high school;

• Reinsert language requiring a renaissance school project application to include the address of the school facility, but only for the initial facility, and also add the requirement that an affirmation be included in the application that any other facility in which the renaissance school project will be located will be situated within the urban campus area. In the case of a school facility other than the initial school facility, the Commissioner of Education will be required to be notified of its location at least one year prior to its opening;

• Allow the first lottery conducted for enrollment in the renaissance school projects to include any student who resides in the renaissance school district. This lottery will no longer be restricted to public school students residing in the district;

• Limit to only the employees of renaissance school projects and charter schools in the renaissance school district the ability, with the Commissioner of Education's permission, to establish residency within five years of the date of initial employment. Under the bill as introduced, this right was also available to traditional public school employees;

• Revise the authority for issuing bonds under the bill to permit only the board of education of a Type II renaissance school district or a municipality in the case of a Type I renaissance school district to issue bonds for the purpose of paying the fair market value or assuming the outstanding debt of a terminated renaissance school project, as appropriate. The bonds would be issued in accordance with current statutory procedures.

## STATEMENT TO

# [First Reprint] ASSEMBLY, No. 4194

with Assembly Floor Amendments (Proposed by Assemblyman FUENTES)

#### ADOPTED: JUNE 24, 2013

These floor amendments:

• Reduce the size of the urban campus area in which a renaissance school project must be located, except in the case in which a high school building is part of the project;

• Eliminate language authorizing the New Jersey Housing and Mortgage Finance Agency to provide funding for construction of dormitories within a renaissance school project; and

• Eliminate language permitting the board of education or the municipality of a renaissance school district to issue bonds when authorization to operate a renaissance school project is terminated or expires and title of the project reverts to the district.