# 18A:58-33.4/ LEGISLATIVE HISTORY CHECKLIST

| MSA 18A:58-33.41                       | Lump sum award under \$25,000)   | ra |
|--|--|----|
| LAUS OF 1979                           | CHAPTER 349  |    |
| Bill No. <u>A3573</u>                  |  |    |
| Sponsor(s) Hurley, Chinnici and        | Jackman  |    |
| Date Introduced Aug. 23, 1979          |  |    |
| Committee: Assembly                    | ,  |    |
| Senate Educati                         | on   |    |
| Amended during passage x               | <del>Yes</del> Fo  |    |
| Date of Passage: Assembly Aug. 23,     | 1979   |    |
| Senate <u>Dec. 6, 1</u>                | L979   |    |
| Date of approval Jan. 24, 1980         |  |    |
| Following statements are attached if a | available: C   |    |
| Sponsor statement                      | Yes xix  |    |
| Committee Statement: Assembly          | Wes No Co  |    |
| Senate                                 | Yes xxx  |    |
| Fiscal Note                            | **Aus No   |    |
| Veto Ressage                           | xkes ''o S   |    |
| Wessage on signing                     | Yes xxx  |    |
| Following were printed:                | And the control of th |    |
| Reports                                | XXxx No No   |    |
| Hearings                               | **es Ilo   |    |

CHAPTER 349 LAWS OF N. J. 19 79

APPROVED. 1-24-80

### ASSEMBLY, No. 3573

## STATE OF NEW JERSEY

INTRODUCED AUGUST 23, 1979

By Assemblymen HURLEY, CHINNICI and JACKMAN

(Without Reference)

A SUPPLEMENT to the "Additional State School Building Aid Act," approved July 13, 1978 (P. L. 1978, c. 74).

- 1 Be it enacted by the Senate and General Assembly of the State
- 2 of New Jersey:
- 1 1. The provisions of "The Additional State School Building Aid
- 2 Act," (P. L. 1978, c. 74; C. 18A:58-33.22 et seq.) notwithstanding,
- 3 any school district awarded an entitlement of \$25,000.00 or less
- 4 may receive such an entitlement in its entirety within 1 year follow-
- 5 ing said award.
- 6 Districts which choose to receive their entitlement in this manner
- 7 shall submit to the Commissioner of Education for approval a plan
- 8 for the expenditure of the entitlement as part of the established
- 9 final application process.
- 1 2. This act shall take effect immediately.

#### STATEMENT

Chapter 74 of P. L. 1978 provided for a limitation on the aid allocated annually to districts equal to the September 30, 1976 district enrollment multiplied by \$25.00 and that bonds in all cases must be authorized and sold. The expense for such authorization and sales to districts which received entitlements \$25,000.00 and under became prohibitive when considered as a percent of their entitlement. This bill clarifies that condition and permits certain districts to be allocated their total entitlement within 1 year of award of entitlement. The maximum amount could be \$85,000.00 and affect a total of five districts.

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#### SENATE EDUCATION COMMITTEE

STATEMENT TO

### ASSEMBLY, No. 3573

# STATE OF NEW JERSEY

DATED: NOVEMBER 19, 1979

The Senate Education Committee favorably reports this bill which permits certain districts to receive their total entitlement under "The Additional State School Building Act" (P. L. 1978, c. 74) within 1 year of the award of that entitlement.

#### PROBLEM ADDRESSED:

Chapter 74 of P. L. 1978 provided for a limitation on the aid allocated annually to districts equal to the September 30, 1976 district enrollment multiplied by \$25.00 and that bonds in all cases must be authorized and sold. The expense for such authorization and sales to districts which received entitlements of \$25,000.00 and under became prohibitive when considered as a percent of their entitlement.

The following districts would be eligible to apply for this single payment:

| District                      | ${f A}$ mount    |
|-------------------------------|------------------|
| Chesilhurst                   | \$24,000         |
| Cape May Special Services     | \$23,000         |
| Greenwich (Cumberland)        | \$17,000         |
| Shiloh                        | <b>\$11,</b> 000 |
| N. Hudson Jointure Commission | \$11,000         |
| Maximum                       | \$86,000         |

FOR IMMEDIATE RELEASE
JAMUARY 24, 1980

FOR FURTHER INFORMATION

KATHRYN FORSYTH

Governor Brendan Byrne today signed A-3573, sponsored by Assemblyman James R. Hurlay (R-Cumberland), which permits school districts entitled to less than \$25,000 under the 1978 "Additional School Building Aid Act" to receive their full allocations within one year following the award of their entitlement.

Five school districts will receive funds under the bill. They are:

| Chesilhurst Borough, Camden County        | \$23,000 |   |
|---|----------|---|
| Cape May County Special Services District | \$23,000 |   |
| Greenwich Township, Cumberland County     | \$17,000 | - |
| Shiloh Borough, Cumberland County         | \$11,000 |   |
| North Hudson County Jointure Commission   | \$11,000 |   |

The 1978 law authorized the state to pay the full annual debt service on \$100 million of principal on locally issued bonds to assist local school districts in renovating deteriorating school buildings or in constructing new facilities.

In order to receive funds, a school district must submit a plan of expenditure for the entitlement to the Commissioner of Education for approval.

The amount to which each district is entitled is determined by a number factors, including the age of the existing buildings and the wealth of the district.

However, the original law permits only an amount equal to the number of pupils enrolled in the district on September 30, 1978 multiplied by \$25,000 to be allocated to the district in any one year. The law also requires the school district to authorize and sell bonds before receiving their entitlements.

For the five districts with small entitlements and low enrollments, the allocation they are permitted to receive each year is so small that the expense for the authorization and sale of these very small bond issues is prohibitive as a percentage of the bond value.

The bill will necessitate no additional state or local funds and will save publication and legal fees for the five districts.