

18A:66-2 and 43:15A-7 LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2018 **CHAPTER:** 129

NJSA: 18A:66-2 and 43:15A-7 (Clarifies that employees of renaissance school projects are in State administered retirement systems.)

BILL NO: A4181 (Substituted for S2722)

SPONSOR(S) Jones and others

DATE INTRODUCED: 6/14/2018

COMMITTEE: **ASSEMBLY:** Budget

SENATE: ---

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** 9/27/2018

SENATE: 9/27/2018

DATE OF APPROVAL: 10/4/2018

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Assembly Committee Substitute (First Reprint) enacted) Yes

A4181

SPONSOR'S STATEMENT: (Begins on page 16 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes 6/25/2018
10/01/2018

S2722

SPONSOR'S STATEMENT: (Begins on page 16 of introduced bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, *may possibly* be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

(continued)

VETO MESSAGE: Yes

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

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RWH/CL

P.L. 2018, CHAPTER 129, *approved October 4, 2018*
Assembly Committee Substitute (*First Reprint*) for
Assembly, No. 4181

1 AN ACT concerning renaissance school districts, ¹【supplementing
2 chapter 36C of Title 18A of the New Jersey Statutes,】¹ and
3 revising various parts of the statutory law.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 ¹【1.(New section) a. The superintendent, or State
9 superintendent, as may be applicable, of a renaissance school
10 district that has established one or more renaissance school projects
11 shall establish and operate, or enter into a contract with a separate
12 entity to operate, a common enrollment system. All district schools,
13 charter schools, and renaissance school projects in the renaissance
14 school district shall be required to participate in the common
15 enrollment system. The common enrollment system shall include
16 measures to ensure that each school is equitably serving students
17 with disabilities, English language learners, and all other students.
18 The common enrollment system may grant enrollment priority to a
19 student who has been impacted by a school closure.

20 b. As used in this section, “common enrollment system” means
21 an enrollment procedure under which students shall apply to enroll
22 in any district school, charter school, or renaissance school project
23 located in the renaissance school district through a streamlined
24 application process that requires the completion of one application
25 for multiple schools, and which includes measures to ensure that
26 each school is equitably serving students with disabilities, English
27 language learners, and all other students.】¹
28

29 ¹【2.Section 3 of P.L.2011, c.176 (C.18A:36C-3) is amended to
30 read as follows:

31 3. As used in this act:

32 "Commissioner" means the Commissioner of Education.

33 "Failing district" means: in accordance with data from the
34 Statewide assessment reports issued by the Department of
35 Education (1) in the case of a school district located in a city of the
36 first class, a school district in which at least 40% of the students
37 scored in the partially proficient range in the language arts and
38 mathematics sections of each State assessment administered in the
39 2009-2010 school year; and (2) in the case of a school district
40 located in a city of the second class, a school district in which at

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ **Assembly amendments adopted in accordance with Governor's recommendations August 27, 2018.**

1 least 45% of the students scored in the partially proficient range in
2 the language arts and mathematics sections of each State assessment
3 administered in the 2009-2010 school year.

4 "Per pupil expenditure" means the sum of the budget year
5 equalization aid per pupil, budget year adjustment aid per pupil, and
6 the prebudget year general fund tax levy per pupil inflated by the
7 CPI rate most recent to the calculation.

8 "School facility" means and includes any structure, building, or
9 facility used wholly or in part for educational purposes by the
10 students of a school district.

11 "Renaissance school district" is a failing district in which
12 renaissance school projects shall be established.

13 "Renaissance school project" means a newly-constructed school,
14 or group of schools in an urban campus area, that provides an
15 educational program for students enrolled in grades pre-K through
16 12 or in a grade range less than pre-K through 12, that is agreed to
17 by the school district, and is operated and managed by a nonprofit
18 entity in a renaissance school district. A school or group of schools
19 may include existing facilities that have undergone substantial
20 reconstruction by the renaissance school project applicant. A
21 substantial reconstruction shall: meet all applicable building codes;
22 comply with the Uniform Construction Code enhancements where
23 the health and safety of the building occupants are affected; comply
24 with all "Americans with Disabilities Act of 1990" regulations
25 outlined in the New Jersey Barrier Free Subcode at N.J.A.C.5:23-7
26 et seq.; and comply with the Uniform Construction Code and other
27 applicable State and federal laws for radon, lead, asbestos, and
28 other contaminants and be subject to the enforcement of such
29 standards by the applicable State or federal agency. The first
30 facility of a renaissance school project shall be a newly-constructed
31 school facility which is designed to house, upon completion, at least
32 20 percent of the total number of students to be enrolled in the
33 renaissance school project. A renaissance school project may
34 include a dormitory and related facilities as permitted pursuant to
35 section 5 of P.L.2011, c.176 (C.18A:36C-5).

36 "Urban campus area" means the area within a 1.5-mile radius of
37 the site of **【the initial】** a school of a renaissance school project
38 which has been designated by the nonprofit entity that operates the
39 renaissance school project, except that a high school building which
40 is part of the renaissance school project may be located within a
41 two-mile radius of the site of **【the initial】** a school of a renaissance
42 school project.

43 (cf: P.L.2014, c.61, s.1)¹

44
45 ¹**【3.】** 1.¹ N.J.S.18A:66-2 is amended to read as follows:

46 18A:66-2. As used in this article:

47 a. "Accumulated deductions" means the sum of all the
48 amounts, deducted from the compensation of a member or

1 contributed by or in behalf of the member, including interest
2 credited to January 1, 1956, standing to the credit of the member's
3 individual account in the annuity savings fund.

4 b. "Annuity" means payments for life derived from the
5 accumulated deductions of a member as provided in this article.

6 c. "Beneficiary" means any person receiving a retirement
7 allowance or other benefit as provided in this article.

8 d. (1) "Compensation" means the contractual salary, for
9 services as a teacher as defined in this article, which is in
10 accordance with established salary policies of the member's
11 employer for all employees in the same position but shall not
12 include individual salary adjustments which are granted primarily in
13 anticipation of the member's retirement or additional remuneration
14 for performing temporary or extracurricular duties beyond the
15 regular school day or the regular school year.

16 (2) In the case of a person who becomes a member of the
17 retirement system on or after July 1, 2007, "compensation" means
18 the amount of the contractual salary equivalent to the annual
19 maximum wage contribution base for Social Security, pursuant to
20 the Federal Insurance Contributions Act, for services as a teacher as
21 defined in this article, which is in accordance with established
22 salary policies of the member's employer for all employees in the
23 same position but shall not include individual salary adjustments
24 which are granted primarily in anticipation of the member's
25 retirement or additional remuneration for performing temporary or
26 extracurricular duties beyond the regular school day or the regular
27 school year. This paragraph shall not apply to a person who at the
28 time of enrollment in the retirement system on or after July 1, 2007
29 transfers service credit from another State-administered retirement
30 system pursuant to N.J.S.18A:66-15.1, but shall apply to a former
31 member of the retirement system who has been granted a retirement
32 allowance and is reenrolled in the retirement system on or after July
33 1, 2007 pursuant to N.J.S.18A:66-53.2 after becoming employed
34 again in a position that makes the person eligible to be a member of
35 the retirement system.

36 For the period of July 1, 2009 through June 30, 2011,
37 "contractual salary" for State employees shall include wage
38 increases under a collective negotiations agreement notwithstanding
39 that, by amendment to that collective negotiations agreement, the
40 effective date of the contractual increase has been deferred. For the
41 purpose of this paragraph, "State employee" means an employee in
42 the Executive Branch of State government of New Jersey.

43 e. "Employer" means the State, the board of education or any
44 educational institution or agency of or within the State by which a
45 teacher is paid.

46 f. (1) "Final compensation" means the average annual
47 compensation for which contributions are made for the three years
48 of creditable service in New Jersey immediately preceding the

1 member's retirement or death, or it shall mean the average annual
2 compensation for New Jersey service for which contributions are
3 made during any three fiscal years of his or her membership
4 providing the largest possible benefit to the member or the
5 member's beneficiary.

6 (2) In the case of a person who becomes a member of the
7 retirement system on or after the effective date of P.L.2010, c.1,
8 "final compensation" means the average annual compensation for
9 which contributions are made for the five years of creditable service
10 in New Jersey immediately preceding the member's retirement or
11 death, or it shall mean the average annual compensation for New
12 Jersey service for which contributions are made during any five
13 fiscal years of his or her membership providing the largest possible
14 benefit to the member or the member's beneficiary.

15 g. "Fiscal year" means any year commencing with July 1, and
16 ending with June 30, next following.

17 h. "Pension" means payments for life derived from
18 appropriations made by the State or employers to the Teachers'
19 Pension and Annuity Fund.

20 i. "Annuity reserve" means the present value of all payments
21 to be made on account of any annuity or benefit in lieu of an
22 annuity, granted under the provisions of this article, computed on
23 the basis of such mortality tables recommended by the actuary as
24 the board of trustees adopts, with regular interest.

25 j. "Pension reserve" means the present value of all payments to
26 be made on account of any pension or benefit in lieu of a pension
27 granted to a member from the Teachers' Pension and Annuity Fund,
28 computed on the basis of such mortality tables recommended by the
29 actuary as the board of trustees adopts, with regular interest.

30 k. "Present-entrant" means any member of the Teachers'
31 Pension and Annuity Fund who had established status as a "present-
32 entrant member" of said fund prior to January 1, 1956.

33 l. "Rate of contribution initially certified" means the rate of
34 contribution certified by the retirement system in accordance with
35 N.J.S.18A:66-29.

36 m. "Regular interest" shall mean interest as determined by the
37 State Treasurer, after consultation with the Directors of the
38 Divisions of Investment and Pensions, the board of trustees and the
39 actuary. It shall bear a reasonable relationship to the percentage rate
40 of earnings on investments based on the market value of assets but
41 shall not exceed the assumed percentage rate of increase applied to
42 salaries plus 3%, provided however that the board of trustees shall
43 not set the average percentage rate of increase applied to salaries
44 below 6%.

45 n. "Retirement allowance" means the pension plus the annuity.

46 o. "School service" means any service as a "teacher" as defined
47 in this section.

1 p. "Teacher" means any regular teacher, special teacher,
2 helping teacher, teacher clerk, principal, vice-principal, supervisor,
3 supervising principal, director, superintendent, city superintendent,
4 assistant city superintendent, county superintendent, State
5 Commissioner or Assistant Commissioner of Education, members
6 of the State Department of Education who are certificated,
7 unclassified professional staff and other members of the teaching or
8 professional staff of any class, public school, renaissance school
9 project established pursuant to P.L.2011, c.176 (C.18A:36C-1 et
10 seq.) upon commencement of employment, high school, normal
11 school, model school, training school, vocational school, truant
12 reformatory school, or parental school, and of any and all classes or
13 schools within the State conducted under the order and
14 superintendence, and wholly or partly at the expense of the State
15 Board of Education, of a duly elected or appointed board of
16 education, board of school directors, or board of trustees of the
17 State or of any school district or normal school district thereof, and
18 any persons under contract or engagement to perform one or more
19 of these functions. It shall also mean any person who serves, while
20 on an approved leave of absence from regular duties as a teacher, as
21 an officer of a local, county or State labor organization which
22 represents, or is affiliated with an organization which represents,
23 teachers as defined in this subsection. No person shall be deemed a
24 teacher within the meaning of this article who is a substitute
25 teacher. In all cases of doubt the board of trustees shall determine
26 whether any person is a teacher as defined in this article.

27 q. "Teachers' Pension and Annuity Fund," hereinafter referred
28 to as the "retirement system" or "system," is the corporate name of
29 the arrangement for the payment of retirement allowances and other
30 benefits under the provisions of this article, including the several
31 funds placed under said system. By that name all its business shall
32 be transacted, its funds invested, warrants for money drawn, and
33 payments made and all of its cash and securities and other property
34 held.

35 r. "Veteran" means any honorably discharged officer, soldier,
36 sailor, airman, marine or nurse who served in any Army, Air Force
37 or Navy of the Allies of the United States in World War I between
38 July 14, 1914, and November 11, 1918, or who served in any Army,
39 Air Force or Navy of the Allies of the United States in World War
40 II, between September 1, 1939, and September 2, 1945, and who
41 was inducted into such service through voluntary enlistment, and
42 was a citizen of the United States at the time of such enlistment, and
43 who did not, during or by reason of such service, renounce or lose
44 United States citizenship, and any officer, soldier, sailor, marine,
45 airman, nurse or army field clerk who has served in the active
46 military or naval service of the United States and has or shall be
47 discharged or released therefrom under conditions other than
48 dishonorable, in any of the following wars, uprisings, insurrections,

1 expeditions or emergencies, and who has presented to the retirement
2 system evidence of such record of service in form and content
3 satisfactory to said retirement system:

4 (1) The Indian wars and uprisings during any of the periods
5 recognized by the War Department of the United States as periods
6 of active hostility;

7 (2) The Spanish-American War between April 20, 1898, and
8 April 11, 1899;

9 (3) The Philippine insurrections and expeditions during the
10 periods recognized by the War Department of the United States as
11 of active hostility from February 4, 1899, to the end of 1913;

12 (4) The Peking relief expedition between June 20, 1900, and
13 May 27, 1902;

14 (5) The army of Cuban occupation between July 18, 1898, and
15 May 20, 1902;

16 (6) The army of Cuban pacification between October 6, 1906,
17 and April 1, 1909;

18 (7) The Mexican punitive expedition between March 14, 1916,
19 and February 7, 1917;

20 (8) The Mexican border patrol, having actually participated in
21 engagements against Mexicans between April 12, 1911, and June
22 16, 1919;

23 (9) World War I, between April 6, 1917, and November 11,
24 1918;

25 (10) World War II, between September 16, 1940, and December
26 31, 1946, who shall have served at least 90 days in such active
27 service, exclusive of any period of assignment (1) for a course of
28 education or training under the Army Specialized Training Program
29 or the Navy College Training Program, which course was a
30 continuation of a civilian course and was pursued to completion, or
31 (2) as a cadet or midshipman at one of the service academies, any
32 part of which 90 days was served between said dates; provided that
33 any person receiving an actual service-incurred injury or disability
34 shall be classed as a veteran, whether or not that person has
35 completed the 90-day service as herein provided;

36 (11) Korean conflict on or after June 23, 1950, and on or prior to
37 January 31, 1955, who shall have served at least 90 days in such
38 active service, exclusive of any period of assignment (1) for a
39 course of education or training under the Army Specialized
40 Training Program or the Navy College Training Program, which
41 course was a continuation of a civilian course and was pursued to
42 completion, or (2) as a cadet or midshipman at one of the service
43 academies, any part of which 90 days was served between said
44 dates; provided that any person receiving an actual service-incurred
45 injury or disability shall be classed as a veteran, whether or not that
46 person has completed the 90-day service as herein provided; and
47 provided further that any member classed as a veteran pursuant to
48 this subsection prior to August 1, 1966, shall continue to be classed

1 as a veteran, whether or not that person completed the 90-day
2 service between said dates as herein provided;

3 (12) Lebanon crisis, on or after July 1, 1958, who has served in
4 Lebanon or on board any ship actively engaged in patrolling the
5 territorial waters of that nation for a period, continuous or in the
6 aggregate, of at least 14 days commencing on or before November
7 1, 1958 or the date of termination of that conflict, as proclaimed by
8 the President of the United States or Congress, whichever date of
9 termination is the latest, in such active service; provided, that any
10 person receiving an actual service-incurred injury or disability shall
11 be classed as a veteran whether or not that person has completed the
12 14 days' service as herein provided;

13 (13) Vietnam conflict, on or after December 31, 1960, and on or
14 prior to May 7, 1975, who shall have served at least 90 days in such
15 active service, exclusive of any period of assignment (1) for a
16 course of education or training under the Army Specialized
17 Training Program or the Navy College Training Program, which
18 course was a continuation of a civilian course and was pursued to
19 completion, or (2) as a cadet or midshipman at one of the service
20 academies, any part of which 90 days was served between said
21 dates; and exclusive of any service performed pursuant to the
22 provisions of section 511(d) of Title 10, United States Code,
23 pursuant to an enlistment in the Army National Guard or as a
24 reserve for service in the Army Reserve, Naval Reserve, Air Force
25 Reserve, Marine Corps Reserve, or Coast Guard Reserve; provided
26 that any person receiving an actual service-incurred injury or
27 disability shall be classed as a veteran, whether or not that person
28 has completed the 90-day service as herein provided;

29 (14) Lebanon peacekeeping mission, on or after September 26,
30 1982, who has served in Lebanon or on board any ship actively
31 engaged in patrolling the territorial waters of that nation for a
32 period, continuous or in the aggregate, of at least 14 days
33 commencing on or before December 1, 1987 or the date of
34 termination of that mission, as proclaimed by the President of the
35 United States or Congress, whichever date of termination is the
36 latest, in such active service; provided, that any person receiving an
37 actual service-incurred injury or disability shall be classed as a
38 veteran whether or not that person has completed the 14 days'
39 service as herein provided;

40 (15) Grenada peacekeeping mission, on or after October 23,
41 1983, who has served in Grenada or on board any ship actively
42 engaged in patrolling the territorial waters of that nation for a
43 period, continuous or in the aggregate, of at least 14 days
44 commencing on or before November 21, 1983 or the date of
45 termination of that mission, as proclaimed by the President of the
46 United States or Congress, whichever date of termination is the
47 latest, in such active service; provided, that any person receiving an
48 actual service-incurred injury or disability shall be classed as a

1 veteran whether or not that person has completed the 14 days'
2 service as herein provided;

3 (16) Panama peacekeeping mission, on or after December 20,
4 1989 or the date of inception of that mission, as proclaimed by the
5 President of the United States or Congress, whichever date of
6 inception is earliest, who has served in Panama or on board any ship
7 actively engaged in patrolling the territorial waters of that nation for
8 a period, continuous or in the aggregate, of at least 14 days
9 commencing on or before January 31, 1990 or the date of
10 termination of that mission, as proclaimed by the President of the
11 United States or Congress, whichever date of termination is the
12 latest, in such active service; provided, that any person receiving an
13 actual service-incurred injury or disability shall be classed as a
14 veteran whether or not that person has completed the 14 days'
15 service as herein provided;

16 (17) Operation "Desert Shield/Desert Storm" mission in the
17 Arabian peninsula and the Persian Gulf, on or after August 2, 1990
18 or the date of inception of that operation, as proclaimed by the
19 President of the United States or Congress, whichever date of
20 inception is earliest, who has served in the Arabian peninsula or on
21 board any ship actively engaged in patrolling the Persian Gulf for a
22 period, continuous or in the aggregate, of at least 14 days
23 commencing on or before the date of termination of that mission, as
24 proclaimed by the President of the United States or Congress,
25 whichever date of termination is the latest, in such active service;
26 provided, that any person receiving an actual service-incurred injury
27 or disability shall be classed as a veteran whether or not that person
28 has completed the 14 days' service as herein provided;

29 (18) Operation Northern Watch and Operation Southern Watch,
30 on or after August 27, 1992, or the date of inception of that
31 operation, as proclaimed by the President of the United States,
32 Congress or United States Secretary of Defense, whichever date of
33 inception is earliest, who served in the theater of operation,
34 including in the Arabian peninsula and the Persian Gulf, and in
35 direct support of that operation for a period, continuously or in the
36 aggregate, of at least 14 days in such active service, commencing on
37 or before the date of termination of the operation, as proclaimed by
38 the President of the United States, Congress or United States
39 Secretary of Defense, whichever date of termination is latest;
40 provided, that any person receiving an actual service-incurred injury
41 or disability while engaged in such service shall be classed as a
42 veteran whether or not that person has completed the 14 days'
43 service as herein provided;

44 (19) Operation "Restore Hope" in Somalia, on or after December
45 5, 1992, or the date of inception of that operation as proclaimed by
46 the President of the United States or Congress, whichever date is
47 earliest, who has served in Somalia or on board any ship actively
48 engaged in patrolling the territorial waters of that nation for a

1 period, continuously or in the aggregate, of at least 14 days in such
2 active service commencing on or before March 31, 1994; provided
3 that any person receiving an actual service-incurred injury or
4 disability shall be classed as a veteran whether or not that person
5 has completed the 14-day service as herein provided;

6 (20) Operations "Joint Endeavor" and "Joint Guard" in the
7 Republic of Bosnia and Herzegovina, on or after November 20,
8 1995, who served in such active service in direct support of one or
9 both of the operations for at least 14 days, continuously or in the
10 aggregate, commencing on or before June 20, 1998, and (1) was
11 deployed in that nation or in another area in the region, or (2) was
12 on board a United States naval vessel operating in the Adriatic Sea,
13 or (3) operated in airspace above the Republic of Bosnia and
14 Herzegovina; provided that any person receiving an actual service-
15 incurred injury or disability shall be classed as a veteran whether or
16 not that person completed the 14-day service requirement;

17 (21) Operation "Enduring Freedom", on or after September 11,
18 2001, who served in a theater of operation and in direct support of
19 that operation for a period, continuously or in the aggregate, of at
20 least 14 days in such active service commencing on or before the
21 date the President of the United States or the United States
22 Secretary of Defense designates as the termination date of that
23 operation; provided, that any person receiving an actual service-
24 incurred injury or disability while engaged in such service shall be
25 classed as a veteran whether or not that person has completed the 14
26 days' service as herein provided; and

27 (22) Operation "Iraqi Freedom", on or after the date the President
28 of the United States or the United States Secretary of Defense
29 designates as the inception date of that operation, who served in
30 Iraq or in another area in the region in direct support of that
31 operation for a period, continuously or in the aggregate, of at least
32 14 days in such active service commencing on or before the date the
33 President of the United States or the United States Secretary of
34 Defense designates as the termination date of that operation;
35 provided, that any person receiving an actual service-incurred injury
36 or disability while engaged in such service shall be classed as a
37 veteran whether or not that person has completed the 14 days'
38 service as herein provided.

39 "Veteran" also means any honorably discharged member of the
40 American Merchant Marine who served during World War II and is
41 declared by the United States Department of Defense to be eligible
42 for federal veterans' benefits.

43 s. "Child" means a deceased member's unmarried child either
44 (a) under the age of 18 or (b) of any age who, at the time of the
45 member's death, is disabled because of mental retardation or
46 physical incapacity, is unable to do any substantial, gainful work
47 because of the impairment and the impairment has lasted or can be

1 expected to last for a continuous period of not less than 12 months,
2 as affirmed by the medical board.

3 t. (1) "Widower," for employees of the State, means the man
4 to whom a member was married, or a domestic partner as defined in
5 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
6 the date of her death and to whom she continued to be married or a
7 domestic partner until the date of her death and who was receiving
8 at least one-half of his support from the member in the 12-month
9 period immediately preceding the member's death or the accident
10 which was the direct cause of the member's death. The dependency
11 of such a widower will be considered terminated by marriage of, or
12 establishment of a domestic partnership by, the widower subsequent
13 to the death of the member. In the event of the payment of an
14 accidental death benefit, the five-year qualification shall be waived.

15 (2) Subject to the provisions of paragraph (3) of this subsection,
16 "widower," for employees of public employers other than the State,
17 means the man to whom a member was married at least five years
18 before the date of her death and to whom she continued to be
19 married until the date of her death and who was receiving at least
20 one-half of his support from the member in the 12-month period
21 immediately preceding the member's death or the accident which
22 was the direct cause of the member's death. The dependency of such
23 a widower shall be considered terminated by marriage of the
24 widower subsequent to the death of the member. In the event of the
25 payment of an accidental death benefit, the five-year qualification
26 shall be waived.

27 (3) A public employer other than the State may adopt a
28 resolution providing that the term "widower" as defined in
29 paragraph (2) of this subsection shall include domestic partners as
30 provided in paragraph (1) of this subsection.

31 u. (1) "Widow," for employees of the State, means the woman
32 to whom a member was married, or a domestic partner as defined in
33 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
34 the date of his death and to whom he continued to be married or a
35 domestic partner until the date of his death and who was receiving
36 at least one-half of her support from the member in the 12-month
37 period immediately preceding the member's death or the accident
38 which was the direct cause of the member's death. The dependency
39 of such a widow will be considered terminated by the marriage of,
40 or establishment of a domestic partnership by, the widow
41 subsequent to the member's death. In the event of the payment of an
42 accidental death benefit, the five-year qualification shall be waived.

43 (2) Subject to the provisions of paragraph (3) of this subsection,
44 "widow," for employees of public employers other than the State,
45 means the woman to whom a member was married at least five
46 years before the date of his death and to whom he continued to be
47 married until the date of his death and who was receiving at least
48 one-half of her support from the member in the 12-month period

1 immediately preceding the member's death or the accident which
2 was the direct cause of the member's death. The dependency of such
3 a widow shall be considered terminated by the marriage of the
4 widow subsequent to the member's death. In the event of the
5 payment of an accidental death benefit, the five-year qualification
6 shall be waived.

7 (3) A public employer other than the State may adopt a
8 resolution providing that the term "widower" as defined in
9 paragraph (2) of this subsection shall include domestic partners as
10 provided in paragraph (1) of this subsection.

11 v. "Parent" means the parent of a member who was receiving at
12 least one-half of the parent's support from the member in the 12-
13 month period immediately preceding the member's death or the
14 accident which was the direct cause of the member's death. The
15 dependency of such a parent will be considered terminated by
16 marriage of the parent subsequent to the death of the member.

17 w. "Medical board" means the board of physicians provided for
18 in N.J.S.18A:66-56.

19 x. (1) "Spouse," for employees of the State, means the husband
20 or wife, or domestic partner as defined in section 3 of P.L.2003,
21 c.246 (C.26:8A-3), of a member.

22 (2) Subject to the provisions of paragraph (1) of this subsection,
23 "spouse," for employees of public employers other than the State,
24 means the husband or wife of a member.

25 (3) A public employer other than the State may adopt a
26 resolution providing that the term "spouse" as defined in paragraph
27 (2) of this subsection shall include domestic partners as provided in
28 paragraph (1) of this subsection.

29 (cf: P.L.2010, c.1, s.20)

30

31 ¹**[4.]** 2.¹ Section 7 of P.L.1954, c.84 (C.43:15A-7) is amended
32 to read as follows:

33 7. There is hereby established the Public Employees'
34 Retirement System of New Jersey in the Division of Pensions and
35 Benefits of the Department of the Treasury. The membership of the
36 retirement system shall include:

37 a. The members of the former "State Employees' Retirement
38 System of New Jersey" enrolled as such as of December 30, 1954,
39 who shall not have claimed for refund their accumulated deductions
40 in said system as provided in this section;

41 b. Any person becoming an employee of the State or other
42 employer after January 2, 1955 and every veteran, other than a
43 retired member who returns to service pursuant to subsection b. of
44 section 27 of P.L.1966, c.217 (C.43:15A-57.2) and other than those
45 whose appointments are seasonal, becoming an employee of the
46 State or other employer after such date, including a temporary
47 employee with at least one year's continuous service. The
48 membership of the retirement system shall not include those

1 persons appointed to serve as described in paragraphs (2) and (3) of
2 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2), except a
3 person who was a member of the retirement system prior to the
4 effective date of sections 1 through 19 of P.L.2007, c.92 (C.43:15C-
5 1 through C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and
6 C.43:15A-135) and continuously thereafter; and

7 c. Every employee veteran in the employ of the State or other
8 employer on January 2, 1955, who is not a member of any
9 retirement system supported wholly or partly by the State.

10 d. Membership in the retirement system shall be optional for
11 elected officials other than veterans, and for school crossing guards,
12 who having become eligible for benefits under other pension
13 systems are so employed on a part-time basis. Elected officials
14 commencing service on or after the effective date of sections 1
15 through 19 of P.L.2007, c.92 (C.43:15C-1 through C.43:15C-15,
16 C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-135) shall not
17 be eligible for membership in the retirement system based on
18 service in the elective public office, except that an elected official
19 enrolled in the retirement system as of that effective date who
20 continues to hold that elective public office or, for an elected
21 official specified in section 5 of P.L.2017, c.344 (C.43:15A-7.5),
22 another elective public office, without a break in service shall be
23 eligible to continue membership in the retirement system under the
24 terms and conditions of enrollment. Service in the Legislature shall
25 be considered a single elective public office. Any part-time school
26 crossing guard who is eligible for benefits under any other pension
27 system and who was hired as a part-time school crossing guard
28 prior to March 4, 1976, may at any time terminate his membership
29 in the retirement system by making an application in writing to the
30 board of trustees of the retirement system. Upon receiving such
31 application, the board of trustees shall terminate his enrollment in
32 the system and direct the employer to cease accepting contributions
33 from the member or deducting from the compensation paid to the
34 member. State employees who become members of any other
35 retirement system supported wholly or partly by the State as a
36 condition of employment shall not be eligible for membership in
37 this retirement system. Notwithstanding any other law to the
38 contrary, all other persons accepting employment in the service of
39 the State shall be required to enroll in the retirement system as a
40 condition of their employment, regardless of age.

41 (1) Before or on November 1, 2008, no person in employment,
42 office or position, for which the annual salary or remuneration is
43 fixed at less than \$1,500.00, shall be eligible to become a member
44 of the retirement system.

45 (2) After November 1, 2008, a person who was a member of the
46 retirement system on that date and continuously thereafter shall be
47 eligible to be a member of the retirement system in employment,

1 office or position, for which the annual salary or remuneration is
2 fixed at \$1,500 or more.

3 (3) After November 1, 2008 and before or on the effective date
4 of P.L.2010, c.1, a person who was not a member of the retirement
5 system on November 1, 2008, or who was a member of the
6 retirement system on that date but not continuously thereafter, and
7 who is in employment, office or position, for which the annual
8 salary or remuneration is certified by the applicable public entity at
9 \$7,500 or more, shall be eligible to become a member of the
10 retirement system. The \$7,500 minimum annual salary or
11 remuneration amount shall be adjusted annually by the Director of
12 the Division of Pensions and Benefits, by regulation, in accordance
13 with changes in the Consumer Price Index but by no more than 4
14 percent. "Consumer Price Index" means the average of the annual
15 increase, expressed as a percentage, in the consumer price index for
16 all urban consumers in the New York City and Philadelphia
17 metropolitan statistical areas during the preceding calendar year as
18 reported by the United States Department of Labor.

19 (4) After the effective date of P.L.2010, c.1, no person in an
20 employment, office or position of the State, or an agency, board,
21 commission, authority or instrumentality of the State, for which the
22 hours of work are fixed at fewer than 35 per week shall be eligible
23 to become a member of the retirement system; and no person in
24 employment, office or position with a political subdivision of the
25 State, or an agency, board, commission, authority or instrumentality
26 of a political subdivision of the State, for which the hours of work
27 are fixed by an ordinance or resolution of the political subdivision,
28 or agency, board, commission, authority or instrumentality thereof,
29 at fewer than 32 per week shall be eligible to become a member of
30 the retirement system. Any hour or part thereof, during which the
31 person does not work due to the person's participation in a
32 voluntary or mandatory furlough program shall not be deducted in
33 determining if a person's hours of work are fixed at fewer than 35 or
34 32 per week, as appropriate, for the purpose of eligibility.

35 e. Membership of any person in the retirement system shall
36 cease if he shall discontinue his service for more than two
37 consecutive years.

38 f. The accumulated deductions of the members of the former
39 "State Employees' Retirement System" which have been set aside in
40 a trust fund designated as Fund A as provided in section 5 of this
41 act and which have not been claimed for refund prior to February 1,
42 1955 shall be transferred from said Fund A to the Annuity Savings
43 Fund of the Retirement System, provided for in section 25 of this
44 act. Each member whose accumulated deductions are so transferred
45 shall receive the same prior service credit, pension credit, and
46 membership credit in the retirement system as he previously had in
47 the former "State Employees' Retirement System" and shall have
48 such accumulated deductions credited to his individual account in

1 the Annuity Savings Fund. Any outstanding obligations of such
2 member shall be continued.

3 g. Any school crossing guard electing to terminate his
4 membership in the retirement system pursuant to subsection d. of
5 this section shall, upon his request, receive a refund of his
6 accumulated deductions as of the date of his appointment to the
7 position of school crossing guard. Such refund of contributions
8 shall serve as a waiver of all benefits payable to the employee, to
9 his dependent or dependents, or to any of his beneficiaries under the
10 retirement system.

11 h. A temporary employee who is employed under the federal
12 Workforce Investment Act shall not be eligible for membership in
13 the system. Membership for temporary employees employed under
14 the federal Job Training Partnership Act, Pub.L.97-300 (29
15 U.S.C.s.1501) who are in the system on September 19, 1986 shall
16 be terminated, and affected employees shall receive a refund of
17 their accumulated deductions as of the date of commencement of
18 employment in a federal Job Training Partnership Act program.
19 Such refund of contributions shall serve as a waiver of all benefits
20 payable to the employee, to his dependent or dependents, or to any
21 of his beneficiaries under the retirement system.

22 i. Membership in the retirement system shall be optional for a
23 special service employee who is employed under the federal Older
24 American Community Service Employment Act, Pub.L.94-135 (42
25 U.S.C.s.3056). Any special service employee employed under the
26 federal Older American Community Service Employment Act,
27 Pub.L.94-135 (42 U.S.C.s.3056), who is in the retirement system on
28 the effective date of P.L.1996, c.139 may terminate membership in
29 the retirement system by making an application in writing to the
30 board of trustees of the retirement system. Upon receiving the
31 application, the board shall terminate enrollment in the system and
32 the member shall receive a refund of accumulated deductions as of
33 the date of commencement of employment in a federal Older
34 American Community Service Employment Act program. This
35 refund of contributions shall serve as a waiver of all benefits
36 payable to the employee, to any dependent or dependents, or to any
37 beneficiary under the retirement system.

38 j. An employee of the South Jersey Port Corporation who was
39 employed by the South Jersey Port Corporation as of the effective
40 date of P.L.1997, c.150 (C.34:1B-144 et al.) and who shall be re-
41 employed within 365 days of such effective date by a subsidiary
42 corporation or other corporation, which has been established by the
43 Delaware River Port Authority pursuant to subdivision (m) of
44 Article I of the compact creating the Delaware River Port Authority
45 (R.S.32:3-2), as defined in section 3 of P.L.1997, c.150 (C.34:1B-
46 146), shall be eligible to continue membership while an employee
47 of such subsidiary or other corporation.

1 k. An employee of a renaissance school project established
2 pursuant to P.L.2011, c.176 (C.18A:36C-1 et seq.) upon
3 commencement of employment.
4 (cf: P.L.2017, c.344, s.1)

5

6 ¹**[5.] 3.**¹ This act shall take effect immediately.

7

8

9

10

11 Clarifies that employees of renaissance school projects are in
12 State-administered retirement systems.

ASSEMBLY, No. 4181

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 14, 2018

Sponsored by:

Assemblywoman PATRICIA EGAN JONES

District 5 (Camden and Gloucester)

Assemblyman ARTHUR BARCLAY

District 5 (Camden and Gloucester)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

SYNOPSIS

Requires establishment of common enrollment system in renaissance school district; expands definition of urban campus area; clarifies that employees of renaissance school projects are in State-administered retirement systems.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/19/2018)

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2

1 AN ACT concerning renaissance school districts, supplementing
2 chapter 36C of Title 18A of the New Jersey Statutes, and
3 revising various parts of the statutory law.

4

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

7

8 1. (New section) a. The superintendent, or State
9 superintendent, as may be applicable, of a renaissance school
10 district that has established one or more renaissance school projects
11 shall establish and operate, or enter into a contract with a separate
12 entity to operate, a common enrollment system. All district schools,
13 charter schools, and renaissance school projects in the renaissance
14 school district shall be required to participate in the common
15 enrollment system. The common enrollment system shall include
16 measures to ensure that each school is equitably serving students
17 with disabilities, English language learners, and all other students.
18 The common enrollment system may grant enrollment priority to a
19 student who has been impacted by a school closure.

20 b. As used in this section, "common enrollment system" means
21 an enrollment procedure under which students shall apply to enroll
22 in any district school, charter school, or renaissance school project
23 located in the renaissance school district through a streamlined
24 application process that requires the completion of one application
25 for multiple schools, and which includes measures to ensure that
26 each school is equitably serving students with disabilities, English
27 language learners, and all other students.

28

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

31 3. As used in this act:

32 "Commissioner" means the Commissioner of Education.

33 "Failing district" means: in accordance with data from the
34 Statewide assessment reports issued by the Department of
35 Education (1) in the case of a school district located in a city of the
36 first class, a school district in which at least 40% of the students
37 scored in the partially proficient range in the language arts and
38 mathematics sections of each State assessment administered in the
39 2009-2010 school year; and (2) in the case of a school district
40 located in a city of the second class, a school district in which at
41 least 45% of the students scored in the partially proficient range in
42 the language arts and mathematics sections of each State assessment
43 administered in the 2009-2010 school year.

44 "Per pupil expenditure" means the sum of the budget year
45 equalization aid per pupil, budget year adjustment aid per pupil, and

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.

1 the prebudget year general fund tax levy per pupil inflated by the
2 CPI rate most recent to the calculation.

3 "School facility" means and includes any structure, building, or
4 facility used wholly or in part for educational purposes by the
5 students of a school district.

6 "Renaissance school district" is a failing district in which
7 renaissance school projects shall be established.

8 "Renaissance school project" means a newly-constructed school,
9 or group of schools in an urban campus area, that provides an
10 educational program for students enrolled in grades pre-K through
11 12 or in a grade range less than pre-K through 12, that is agreed to
12 by the school district, and is operated and managed by a nonprofit
13 entity in a renaissance school district. A school or group of schools
14 may include existing facilities that have undergone substantial
15 reconstruction by the renaissance school project applicant. A
16 substantial reconstruction shall: meet all applicable building codes;
17 comply with the Uniform Construction Code enhancements where
18 the health and safety of the building occupants are affected; comply
19 with all "Americans with Disabilities Act of 1990" regulations
20 outlined in the New Jersey Barrier Free Subcode at N.J.A.C.5:23-7
21 et seq.; and comply with the Uniform Construction Code and other
22 applicable State and federal laws for radon, lead, asbestos, and
23 other contaminants and be subject to the enforcement of such
24 standards by the applicable State or federal agency. The first
25 facility of a renaissance school project shall be a newly-constructed
26 school facility which is designed to house, upon completion, at least
27 20 percent of the total number of students to be enrolled in the
28 renaissance school project. A renaissance school project may
29 include a dormitory and related facilities as permitted pursuant to
30 section 5 of P.L.2011, c.176 (C.18A:36C-5).

31 "Urban campus area" means the area within a 1.5-mile radius of
32 the site of **【the initial】** a school of a renaissance school project
33 which has been designated by the nonprofit entity that operates the
34 renaissance school project, except that a high school building which
35 is part of the renaissance school project may be located within a
36 two-mile radius of the site of **【the initial】** a school of a renaissance
37 school project.

38 (cf: P.L.2014, c.61, s.1)

39

40 3. N.J.S.18A:66-2 is amended to read as follows:

41 18A:66-2. As used in this article:

42 a. "Accumulated deductions" means the sum of all the
43 amounts, deducted from the compensation of a member or
44 contributed by or in behalf of the member, including interest
45 credited to January 1, 1956, standing to the credit of the member's
46 individual account in the annuity savings fund.

47 b. "Annuity" means payments for life derived from the
48 accumulated deductions of a member as provided in this article.

1 c. "Beneficiary" means any person receiving a retirement
2 allowance or other benefit as provided in this article.

3 d. (1) "Compensation" means the contractual salary, for
4 services as a teacher as defined in this article, which is in
5 accordance with established salary policies of the member's
6 employer for all employees in the same position but shall not
7 include individual salary adjustments which are granted primarily in
8 anticipation of the member's retirement or additional remuneration
9 for performing temporary or extracurricular duties beyond the
10 regular school day or the regular school year.

11 (2) In the case of a person who becomes a member of the
12 retirement system on or after July 1, 2007, "compensation" means
13 the amount of the contractual salary equivalent to the annual
14 maximum wage contribution base for Social Security, pursuant to
15 the Federal Insurance Contributions Act, for services as a teacher as
16 defined in this article, which is in accordance with established
17 salary policies of the member's employer for all employees in the
18 same position but shall not include individual salary adjustments
19 which are granted primarily in anticipation of the member's
20 retirement or additional remuneration for performing temporary or
21 extracurricular duties beyond the regular school day or the regular
22 school year. This paragraph shall not apply to a person who at the
23 time of enrollment in the retirement system on or after July 1, 2007
24 transfers service credit from another State-administered retirement
25 system pursuant to N.J.S.18A:66-15.1, but shall apply to a former
26 member of the retirement system who has been granted a retirement
27 allowance and is reenrolled in the retirement system on or after July
28 1, 2007 pursuant to N.J.S.18A:66-53.2 after becoming employed
29 again in a position that makes the person eligible to be a member of
30 the retirement system.

31 For the period of July 1, 2009 through June 30, 2011,
32 "contractual salary" for State employees shall include wage
33 increases under a collective negotiations agreement notwithstanding
34 that, by amendment to that collective negotiations agreement, the
35 effective date of the contractual increase has been deferred. For the
36 purpose of this paragraph, "State employee" means an employee in
37 the Executive Branch of State government of New Jersey.

38 e. "Employer" means the State, the board of education or any
39 educational institution or agency of or within the State by which a
40 teacher is paid.

41 f. (1) "Final compensation" means the average annual
42 compensation for which contributions are made for the three years
43 of creditable service in New Jersey immediately preceding the
44 member's retirement or death, or it shall mean the average annual
45 compensation for New Jersey service for which contributions are
46 made during any three fiscal years of his or her membership
47 providing the largest possible benefit to the member or the
48 member's beneficiary.

1 (2) In the case of a person who becomes a member of the
2 retirement system on or after the effective date of P.L.2010, c.1,
3 "final compensation" means the average annual compensation for
4 which contributions are made for the five years of creditable service
5 in New Jersey immediately preceding the member's retirement or
6 death, or it shall mean the average annual compensation for New
7 Jersey service for which contributions are made during any five
8 fiscal years of his or her membership providing the largest possible
9 benefit to the member or the member's beneficiary.

10 g. "Fiscal year" means any year commencing with July 1, and
11 ending with June 30, next following.

12 h. "Pension" means payments for life derived from
13 appropriations made by the State or employers to the Teachers'
14 Pension and Annuity Fund.

15 i. "Annuity reserve" means the present value of all payments
16 to be made on account of any annuity or benefit in lieu of an
17 annuity, granted under the provisions of this article, computed on
18 the basis of such mortality tables recommended by the actuary as
19 the board of trustees adopts, with regular interest.

20 j. "Pension reserve" means the present value of all payments to
21 be made on account of any pension or benefit in lieu of a pension
22 granted to a member from the Teachers' Pension and Annuity Fund,
23 computed on the basis of such mortality tables recommended by the
24 actuary as the board of trustees adopts, with regular interest.

25 k. "Present-entrant" means any member of the Teachers'
26 Pension and Annuity Fund who had established status as a "present-
27 entrant member" of said fund prior to January 1, 1956.

28 l. "Rate of contribution initially certified" means the rate of
29 contribution certified by the retirement system in accordance with
30 N.J.S.18A:66-29.

31 m. "Regular interest" shall mean interest as determined by the
32 State Treasurer, after consultation with the Directors of the
33 Divisions of Investment and Pensions, the board of trustees and the
34 actuary. It shall bear a reasonable relationship to the percentage rate
35 of earnings on investments based on the market value of assets but
36 shall not exceed the assumed percentage rate of increase applied to
37 salaries plus 3%, provided however that the board of trustees shall
38 not set the average percentage rate of increase applied to salaries
39 below 6%.

40 n. "Retirement allowance" means the pension plus the annuity.

41 o. "School service" means any service as a "teacher" as defined
42 in this section.

43 p. "Teacher" means any regular teacher, special teacher,
44 helping teacher, teacher clerk, principal, vice-principal, supervisor,
45 supervising principal, director, superintendent, city superintendent,
46 assistant city superintendent, county superintendent, State
47 Commissioner or Assistant Commissioner of Education, members
48 of the State Department of Education who are certificated,

1 unclassified professional staff and other members of the teaching or
2 professional staff of any class, public school, renaissance school
3 project established pursuant to P.L.2011, c.176 (C.18A:36C-1 et
4 seq.) upon commencement of employment, high school, normal
5 school, model school, training school, vocational school, truant
6 reformatory school, or parental school, and of any and all classes or
7 schools within the State conducted under the order and
8 superintendence, and wholly or partly at the expense of the State
9 Board of Education, of a duly elected or appointed board of
10 education, board of school directors, or board of trustees of the
11 State or of any school district or normal school district thereof, and
12 any persons under contract or engagement to perform one or more
13 of these functions. It shall also mean any person who serves, while
14 on an approved leave of absence from regular duties as a teacher, as
15 an officer of a local, county or State labor organization which
16 represents, or is affiliated with an organization which represents,
17 teachers as defined in this subsection. No person shall be deemed a
18 teacher within the meaning of this article who is a substitute
19 teacher. In all cases of doubt the board of trustees shall determine
20 whether any person is a teacher as defined in this article.

21 q. "Teachers' Pension and Annuity Fund," hereinafter referred
22 to as the "retirement system" or "system," is the corporate name of
23 the arrangement for the payment of retirement allowances and other
24 benefits under the provisions of this article, including the several
25 funds placed under said system. By that name all its business shall
26 be transacted, its funds invested, warrants for money drawn, and
27 payments made and all of its cash and securities and other property
28 held.

29 r. "Veteran" means any honorably discharged officer, soldier,
30 sailor, airman, marine or nurse who served in any Army, Air Force
31 or Navy of the Allies of the United States in World War I between
32 July 14, 1914, and November 11, 1918, or who served in any Army,
33 Air Force or Navy of the Allies of the United States in World War
34 II, between September 1, 1939, and September 2, 1945, and who
35 was inducted into such service through voluntary enlistment, and
36 was a citizen of the United States at the time of such enlistment, and
37 who did not, during or by reason of such service, renounce or lose
38 United States citizenship, and any officer, soldier, sailor, marine,
39 airman, nurse or army field clerk who has served in the active
40 military or naval service of the United States and has or shall be
41 discharged or released therefrom under conditions other than
42 dishonorable, in any of the following wars, uprisings, insurrections,
43 expeditions or emergencies, and who has presented to the retirement
44 system evidence of such record of service in form and content
45 satisfactory to said retirement system:

46 (1) The Indian wars and uprisings during any of the periods
47 recognized by the War Department of the United States as periods
48 of active hostility;

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- 1 (2) The Spanish-American War between April 20, 1898, and
2 April 11, 1899;
- 3 (3) The Philippine insurrections and expeditions during the
4 periods recognized by the War Department of the United States as
5 of active hostility from February 4, 1899, to the end of 1913;
- 6 (4) The Peking relief expedition between June 20, 1900, and
7 May 27, 1902;
- 8 (5) The army of Cuban occupation between July 18, 1898, and
9 May 20, 1902;
- 10 (6) The army of Cuban pacification between October 6, 1906,
11 and April 1, 1909;
- 12 (7) The Mexican punitive expedition between March 14, 1916,
13 and February 7, 1917;
- 14 (8) The Mexican border patrol, having actually participated in
15 engagements against Mexicans between April 12, 1911, and June
16 16, 1919;
- 17 (9) World War I, between April 6, 1917, and November 11,
18 1918;
- 19 (10) World War II, between September 16, 1940, and December
20 31, 1946, who shall have served at least 90 days in such active
21 service, exclusive of any period of assignment (1) for a course of
22 education or training under the Army Specialized Training Program
23 or the Navy College Training Program, which course was a
24 continuation of a civilian course and was pursued to completion, or
25 (2) as a cadet or midshipman at one of the service academies, any
26 part of which 90 days was served between said dates; provided that
27 any person receiving an actual service-incurred injury or disability
28 shall be classed as a veteran, whether or not that person has
29 completed the 90-day service as herein provided;
- 30 (11) Korean conflict on or after June 23, 1950, and on or prior to
31 January 31, 1955, who shall have served at least 90 days in such
32 active service, exclusive of any period of assignment (1) for a
33 course of education or training under the Army Specialized
34 Training Program or the Navy College Training Program, which
35 course was a continuation of a civilian course and was pursued to
36 completion, or (2) as a cadet or midshipman at one of the service
37 academies, any part of which 90 days was served between said
38 dates; provided that any person receiving an actual service-incurred
39 injury or disability shall be classed as a veteran, whether or not that
40 person has completed the 90-day service as herein provided; and
41 provided further that any member classed as a veteran pursuant to
42 this subsection prior to August 1, 1966, shall continue to be classed
43 as a veteran, whether or not that person completed the 90-day
44 service between said dates as herein provided;
- 45 (12) Lebanon crisis, on or after July 1, 1958, who has served in
46 Lebanon or on board any ship actively engaged in patrolling the
47 territorial waters of that nation for a period, continuous or in the
48 aggregate, of at least 14 days commencing on or before November

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1 1, 1958 or the date of termination of that conflict, as proclaimed by
2 the President of the United States or Congress, whichever date of
3 termination is the latest, in such active service; provided, that any
4 person receiving an actual service-incurred injury or disability shall
5 be classed as a veteran whether or not that person has completed the
6 14 days' service as herein provided;

7 (13) Vietnam conflict, on or after December 31, 1960, and on or
8 prior to May 7, 1975, who shall have served at least 90 days in such
9 active service, exclusive of any period of assignment (1) for a
10 course of education or training under the Army Specialized
11 Training Program or the Navy College Training Program, which
12 course was a continuation of a civilian course and was pursued to
13 completion, or (2) as a cadet or midshipman at one of the service
14 academies, any part of which 90 days was served between said
15 dates; and exclusive of any service performed pursuant to the
16 provisions of section 511(d) of Title 10, United States Code,
17 pursuant to an enlistment in the Army National Guard or as a
18 reserve for service in the Army Reserve, Naval Reserve, Air Force
19 Reserve, Marine Corps Reserve, or Coast Guard Reserve; provided
20 that any person receiving an actual service-incurred injury or
21 disability shall be classed as a veteran, whether or not that person
22 has completed the 90-day service as herein provided;

23 (14) Lebanon peacekeeping mission, on or after September 26,
24 1982, who has served in Lebanon or on board any ship actively
25 engaged in patrolling the territorial waters of that nation for a
26 period, continuous or in the aggregate, of at least 14 days
27 commencing on or before December 1, 1987 or the date of
28 termination of that mission, as proclaimed by the President of the
29 United States or Congress, whichever date of termination is the
30 latest, in such active service; provided, that any person receiving an
31 actual service-incurred injury or disability shall be classed as a
32 veteran whether or not that person has completed the 14 days'
33 service as herein provided;

34 (15) Grenada peacekeeping mission, on or after October 23,
35 1983, who has served in Grenada or on board any ship actively
36 engaged in patrolling the territorial waters of that nation for a
37 period, continuous or in the aggregate, of at least 14 days
38 commencing on or before November 21, 1983 or the date of
39 termination of that mission, as proclaimed by the President of the
40 United States or Congress, whichever date of termination is the
41 latest, in such active service; provided, that any person receiving an
42 actual service-incurred injury or disability shall be classed as a
43 veteran whether or not that person has completed the 14 days'
44 service as herein provided;

45 (16) Panama peacekeeping mission, on or after December 20,
46 1989 or the date of inception of that mission, as proclaimed by the
47 President of the United States or Congress, whichever date of
48 inception is earliest, who has served in Panama or on board any ship

1 actively engaged in patrolling the territorial waters of that nation for
2 a period, continuous or in the aggregate, of at least 14 days
3 commencing on or before January 31, 1990 or the date of
4 termination of that mission, as proclaimed by the President of the
5 United States or Congress, whichever date of termination is the
6 latest, in such active service; provided, that any person receiving an
7 actual service-incurred injury or disability shall be classed as a
8 veteran whether or not that person has completed the 14 days'
9 service as herein provided;

10 (17) Operation "Desert Shield/Desert Storm" mission in the
11 Arabian peninsula and the Persian Gulf, on or after August 2, 1990
12 or the date of inception of that operation, as proclaimed by the
13 President of the United States or Congress, whichever date of
14 inception is earliest, who has served in the Arabian peninsula or on
15 board any ship actively engaged in patrolling the Persian Gulf for a
16 period, continuous or in the aggregate, of at least 14 days
17 commencing on or before the date of termination of that mission, as
18 proclaimed by the President of the United States or Congress,
19 whichever date of termination is the latest, in such active service;
20 provided, that any person receiving an actual service-incurred injury
21 or disability shall be classed as a veteran whether or not that person
22 has completed the 14 days' service as herein provided;

23 (18) Operation Northern Watch and Operation Southern Watch,
24 on or after August 27, 1992, or the date of inception of that
25 operation, as proclaimed by the President of the United States,
26 Congress or United States Secretary of Defense, whichever date of
27 inception is earliest, who served in the theater of operation,
28 including in the Arabian peninsula and the Persian Gulf, and in
29 direct support of that operation for a period, continuously or in the
30 aggregate, of at least 14 days in such active service, commencing on
31 or before the date of termination of the operation, as proclaimed by
32 the President of the United States, Congress or United States
33 Secretary of Defense, whichever date of termination is latest;
34 provided, that any person receiving an actual service-incurred injury
35 or disability while engaged in such service shall be classed as a
36 veteran whether or not that person has completed the 14 days'
37 service as herein provided;

38 (19) Operation "Restore Hope" in Somalia, on or after December
39 5, 1992, or the date of inception of that operation as proclaimed by
40 the President of the United States or Congress, whichever date is
41 earliest, who has served in Somalia or on board any ship actively
42 engaged in patrolling the territorial waters of that nation for a
43 period, continuously or in the aggregate, of at least 14 days in such
44 active service commencing on or before March 31, 1994; provided
45 that any person receiving an actual service-incurred injury or
46 disability shall be classed as a veteran whether or not that person
47 has completed the 14-day service as herein provided;

1 (20) Operations "Joint Endeavor" and "Joint Guard" in the
2 Republic of Bosnia and Herzegovina, on or after November 20,
3 1995, who served in such active service in direct support of one or
4 both of the operations for at least 14 days, continuously or in the
5 aggregate, commencing on or before June 20, 1998, and (1) was
6 deployed in that nation or in another area in the region, or (2) was
7 on board a United States naval vessel operating in the Adriatic Sea,
8 or (3) operated in airspace above the Republic of Bosnia and
9 Herzegovina; provided that any person receiving an actual service-
10 incurred injury or disability shall be classed as a veteran whether or
11 not that person completed the 14-day service requirement;

12 (21) Operation "Enduring Freedom", on or after September 11,
13 2001, who served in a theater of operation and in direct support of
14 that operation for a period, continuously or in the aggregate, of at
15 least 14 days in such active service commencing on or before the
16 date the President of the United States or the United States
17 Secretary of Defense designates as the termination date of that
18 operation; provided, that any person receiving an actual service-
19 incurred injury or disability while engaged in such service shall be
20 classed as a veteran whether or not that person has completed the 14
21 days' service as herein provided; and

22 (22) Operation "Iraqi Freedom", on or after the date the President
23 of the United States or the United States Secretary of Defense
24 designates as the inception date of that operation, who served in
25 Iraq or in another area in the region in direct support of that
26 operation for a period, continuously or in the aggregate, of at least
27 14 days in such active service commencing on or before the date the
28 President of the United States or the United States Secretary of
29 Defense designates as the termination date of that operation;
30 provided, that any person receiving an actual service-incurred injury
31 or disability while engaged in such service shall be classed as a
32 veteran whether or not that person has completed the 14 days'
33 service as herein provided.

34 "Veteran" also means any honorably discharged member of the
35 American Merchant Marine who served during World War II and is
36 declared by the United States Department of Defense to be eligible
37 for federal veterans' benefits.

38 s. "Child" means a deceased member's unmarried child either
39 (a) under the age of 18 or (b) of any age who, at the time of the
40 member's death, is disabled because of mental retardation or
41 physical incapacity, is unable to do any substantial, gainful work
42 because of the impairment and the impairment has lasted or can be
43 expected to last for a continuous period of not less than 12 months,
44 as affirmed by the medical board.

45 t. (1) "Widower," for employees of the State, means the man
46 to whom a member was married, or a domestic partner as defined in
47 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
48 the date of her death and to whom she continued to be married or a

1 domestic partner until the date of her death and who was receiving
2 at least one-half of his support from the member in the 12-month
3 period immediately preceding the member's death or the accident
4 which was the direct cause of the member's death. The dependency
5 of such a widower will be considered terminated by marriage of, or
6 establishment of a domestic partnership by, the widower subsequent
7 to the death of the member. In the event of the payment of an
8 accidental death benefit, the five-year qualification shall be waived.

9 (2) Subject to the provisions of paragraph (3) of this subsection,
10 "widower," for employees of public employers other than the State,
11 means the man to whom a member was married at least five years
12 before the date of her death and to whom she continued to be
13 married until the date of her death and who was receiving at least
14 one-half of his support from the member in the 12-month period
15 immediately preceding the member's death or the accident which
16 was the direct cause of the member's death. The dependency of such
17 a widower shall be considered terminated by marriage of the
18 widower subsequent to the death of the member. In the event of the
19 payment of an accidental death benefit, the five-year qualification
20 shall be waived.

21 (3) A public employer other than the State may adopt a
22 resolution providing that the term "widower" as defined in
23 paragraph (2) of this subsection shall include domestic partners as
24 provided in paragraph (1) of this subsection.

25 u. (1) "Widow," for employees of the State, means the woman
26 to whom a member was married, or a domestic partner as defined in
27 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
28 the date of his death and to whom he continued to be married or a
29 domestic partner until the date of his death and who was receiving
30 at least one-half of her support from the member in the 12-month
31 period immediately preceding the member's death or the accident
32 which was the direct cause of the member's death. The dependency
33 of such a widow will be considered terminated by the marriage of,
34 or establishment of a domestic partnership by, the widow
35 subsequent to the member's death. In the event of the payment of an
36 accidental death benefit, the five-year qualification shall be waived.

37 (2) Subject to the provisions of paragraph (3) of this subsection,
38 "widow," for employees of public employers other than the State,
39 means the woman to whom a member was married at least five
40 years before the date of his death and to whom he continued to be
41 married until the date of his death and who was receiving at least
42 one-half of her support from the member in the 12-month period
43 immediately preceding the member's death or the accident which
44 was the direct cause of the member's death. The dependency of such
45 a widow shall be considered terminated by the marriage of the
46 widow subsequent to the member's death. In the event of the
47 payment of an accidental death benefit, the five-year qualification
48 shall be waived.

1 (3) A public employer other than the State may adopt a
2 resolution providing that the term "widower" as defined in
3 paragraph (2) of this subsection shall include domestic partners as
4 provided in paragraph (1) of this subsection.

5 v. "Parent" means the parent of a member who was receiving at
6 least one-half of the parent's support from the member in the 12-
7 month period immediately preceding the member's death or the
8 accident which was the direct cause of the member's death. The
9 dependency of such a parent will be considered terminated by
10 marriage of the parent subsequent to the death of the member.

11 w. "Medical board" means the board of physicians provided for
12 in N.J.S.18A:66-56.

13 x. (1) "Spouse," for employees of the State, means the husband
14 or wife, or domestic partner as defined in section 3 of P.L.2003,
15 c.246 (C.26:8A-3), of a member.

16 (2) Subject to the provisions of paragraph (1) of this subsection,
17 "spouse," for employees of public employers other than the State,
18 means the husband or wife of a member.

19 (3) A public employer other than the State may adopt a
20 resolution providing that the term "spouse" as defined in paragraph
21 (2) of this subsection shall include domestic partners as provided in
22 paragraph (1) of this subsection.

23 (cf: P.L.2010, c.1, s.20)

24

25 4. Section 7 of P.L.1954, c.84 (C.43:15A-7) is amended to read
26 as follows:

27 7. There is hereby established the Public Employees'
28 Retirement System of New Jersey in the Division of Pensions and
29 Benefits of the Department of the Treasury. The membership of the
30 retirement system shall include:

31 a. The members of the former "State Employees' Retirement
32 System of New Jersey" enrolled as such as of December 30, 1954,
33 who shall not have claimed for refund their accumulated deductions
34 in said system as provided in this section;

35 b. Any person becoming an employee of the State or other
36 employer after January 2, 1955 and every veteran, other than a
37 retired member who returns to service pursuant to subsection b. of
38 section 27 of P.L.1966, c.217 (C.43:15A-57.2) and other than those
39 whose appointments are seasonal, becoming an employee of the
40 State or other employer after such date, including a temporary
41 employee with at least one year's continuous service. The
42 membership of the retirement system shall not include those
43 persons appointed to serve as described in paragraphs (2) and (3) of
44 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2), except a
45 person who was a member of the retirement system prior to the
46 effective date of sections 1 through 19 of P.L.2007, c.92 (C.43:15C-
47 1 through C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and
48 C.43:15A-135) and continuously thereafter; and

1 c. Every employee veteran in the employ of the State or other
2 employer on January 2, 1955, who is not a member of any
3 retirement system supported wholly or partly by the State.

4 d. Membership in the retirement system shall be optional for
5 elected officials other than veterans, and for school crossing guards,
6 who having become eligible for benefits under other pension
7 systems are so employed on a part-time basis. Elected officials
8 commencing service on or after the effective date of sections 1
9 through 19 of P.L.2007, c.92 (C.43:15C-1 through C.43:15C-15,
10 C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-135) shall not
11 be eligible for membership in the retirement system based on
12 service in the elective public office, except that an elected official
13 enrolled in the retirement system as of that effective date who
14 continues to hold that elective public office or, for an elected
15 official specified in section 5 of P.L.2017, c.344 (C.43:15A-7.5),
16 another elective public office, without a break in service shall be
17 eligible to continue membership in the retirement system under the
18 terms and conditions of enrollment. Service in the Legislature shall
19 be considered a single elective public office. Any part-time school
20 crossing guard who is eligible for benefits under any other pension
21 system and who was hired as a part-time school crossing guard
22 prior to March 4, 1976, may at any time terminate his membership
23 in the retirement system by making an application in writing to the
24 board of trustees of the retirement system. Upon receiving such
25 application, the board of trustees shall terminate his enrollment in
26 the system and direct the employer to cease accepting contributions
27 from the member or deducting from the compensation paid to the
28 member. State employees who become members of any other
29 retirement system supported wholly or partly by the State as a
30 condition of employment shall not be eligible for membership in
31 this retirement system. Notwithstanding any other law to the
32 contrary, all other persons accepting employment in the service of
33 the State shall be required to enroll in the retirement system as a
34 condition of their employment, regardless of age.

35 (1) Before or on November 1, 2008, no person in employment,
36 office or position, for which the annual salary or remuneration is
37 fixed at less than \$1,500.00, shall be eligible to become a member
38 of the retirement system.

39 (2) After November 1, 2008, a person who was a member of the
40 retirement system on that date and continuously thereafter shall be
41 eligible to be a member of the retirement system in employment,
42 office or position, for which the annual salary or remuneration is
43 fixed at \$1,500 or more.

44 (3) After November 1, 2008 and before or on the effective date
45 of P.L.2010, c.1, a person who was not a member of the retirement
46 system on November 1, 2008, or who was a member of the
47 retirement system on that date but not continuously thereafter, and
48 who is in employment, office or position, for which the annual

1 salary or remuneration is certified by the applicable public entity at
2 \$7,500 or more, shall be eligible to become a member of the
3 retirement system. The \$7,500 minimum annual salary or
4 remuneration amount shall be adjusted annually by the Director of
5 the Division of Pensions and Benefits, by regulation, in accordance
6 with changes in the Consumer Price Index but by no more than 4
7 percent. "Consumer Price Index" means the average of the annual
8 increase, expressed as a percentage, in the consumer price index for
9 all urban consumers in the New York City and Philadelphia
10 metropolitan statistical areas during the preceding calendar year as
11 reported by the United States Department of Labor.

12 (4) After the effective date of P.L.2010, c.1, no person in an
13 employment, office or position of the State, or an agency, board,
14 commission, authority or instrumentality of the State, for which the
15 hours of work are fixed at fewer than 35 per week shall be eligible
16 to become a member of the retirement system; and no person in
17 employment, office or position with a political subdivision of the
18 State, or an agency, board, commission, authority or instrumentality
19 of a political subdivision of the State, for which the hours of work
20 are fixed by an ordinance or resolution of the political subdivision,
21 or agency, board, commission, authority or instrumentality thereof,
22 at fewer than 32 per week shall be eligible to become a member of
23 the retirement system. Any hour or part thereof, during which the
24 person does not work due to the person's participation in a
25 voluntary or mandatory furlough program shall not be deducted in
26 determining if a person's hours of work are fixed at fewer than 35 or
27 32 per week, as appropriate, for the purpose of eligibility.

28 e. Membership of any person in the retirement system shall
29 cease if he shall discontinue his service for more than two
30 consecutive years.

31 f. The accumulated deductions of the members of the former
32 "State Employees' Retirement System" which have been set aside in
33 a trust fund designated as Fund A as provided in section 5 of this
34 act and which have not been claimed for refund prior to February 1,
35 1955 shall be transferred from said Fund A to the Annuity Savings
36 Fund of the Retirement System, provided for in section 25 of this
37 act. Each member whose accumulated deductions are so transferred
38 shall receive the same prior service credit, pension credit, and
39 membership credit in the retirement system as he previously had in
40 the former "State Employees' Retirement System" and shall have
41 such accumulated deductions credited to his individual account in
42 the Annuity Savings Fund. Any outstanding obligations of such
43 member shall be continued.

44 g. Any school crossing guard electing to terminate his
45 membership in the retirement system pursuant to subsection d. of
46 this section shall, upon his request, receive a refund of his
47 accumulated deductions as of the date of his appointment to the
48 position of school crossing guard. Such refund of contributions

1 shall serve as a waiver of all benefits payable to the employee, to
2 his dependent or dependents, or to any of his beneficiaries under the
3 retirement system.

4 h. A temporary employee who is employed under the federal
5 Workforce Investment Act shall not be eligible for membership in
6 the system. Membership for temporary employees employed under
7 the federal Job Training Partnership Act, Pub.L.97-300 (29
8 U.S.C.s.1501) who are in the system on September 19, 1986 shall
9 be terminated, and affected employees shall receive a refund of
10 their accumulated deductions as of the date of commencement of
11 employment in a federal Job Training Partnership Act program.
12 Such refund of contributions shall serve as a waiver of all benefits
13 payable to the employee, to his dependent or dependents, or to any
14 of his beneficiaries under the retirement system.

15 i. Membership in the retirement system shall be optional for a
16 special service employee who is employed under the federal Older
17 American Community Service Employment Act, Pub.L.94-135 (42
18 U.S.C.s.3056). Any special service employee employed under the
19 federal Older American Community Service Employment Act,
20 Pub.L.94-135 (42 U.S.C.s.3056), who is in the retirement system on
21 the effective date of P.L.1996, c.139 may terminate membership in
22 the retirement system by making an application in writing to the
23 board of trustees of the retirement system. Upon receiving the
24 application, the board shall terminate enrollment in the system and
25 the member shall receive a refund of accumulated deductions as of
26 the date of commencement of employment in a federal Older
27 American Community Service Employment Act program. This
28 refund of contributions shall serve as a waiver of all benefits
29 payable to the employee, to any dependent or dependents, or to any
30 beneficiary under the retirement system.

31 j. An employee of the South Jersey Port Corporation who was
32 employed by the South Jersey Port Corporation as of the effective
33 date of P.L.1997, c.150 (C.34:1B-144 et al.) and who shall be re-
34 employed within 365 days of such effective date by a subsidiary
35 corporation or other corporation, which has been established by the
36 Delaware River Port Authority pursuant to subdivision (m) of
37 Article I of the compact creating the Delaware River Port Authority
38 (R.S.32:3-2), as defined in section 3 of P.L.1997, c.150 (C.34:1B-
39 146), shall be eligible to continue membership while an employee
40 of such subsidiary or other corporation.

41 k. An employee of a renaissance school project established
42 pursuant to P.L.2011, c.176 (C.18A:36C-1 et seq.) upon
43 commencement of employment.

44 (cf: P.L.2017, c.344, s.1)

45

46 5. This act shall take effect immediately.

STATEMENT

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P.L.2011, c.176 (C.18A:36C-1 et seq.) provided for the creation of renaissance school districts, districts with a history of poor performance on Statewide assessments that elect to enter into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the bill's provisions. The bill makes three changes that would affect the district.

First, the bill requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects would be required to participate.

Second, the bill modifies the definition of an urban campus area. A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This bill provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project. This provision is intended to permit more students in the renaissance school district to have access to a school of a renaissance school project, and is also more community-oriented.

Third, the bill also clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems. Charter school employees are members of the State-administered retirement systems, and it has always been the intent that the same would apply to employees of renaissance school projects.

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR ASSEMBLY, No. 4181

STATE OF NEW JERSEY

DATED: JUNE 18, 2018

The Assembly Budget Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 4181.

This substitute requires each renaissance school district to establish a common enrollment system, clarifies that employees of renaissance school projects are members of the State-administered retirement systems, and modifies the definition of “urban campus area” under the “Urban Hope Act,” N.J.S.A.18A:36C-1 et seq.

Renaissance school districts are districts with a history of poor performance on Statewide assessments that elect to enter into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the substitute’s provisions. The substitute makes three changes that affect the district.

First, the substitute requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, meaning a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects, would be required to participate.

Second, the substitute modifies the definition of an “urban campus area.” A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This substitute provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project.

Third, the substitute also clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems.

FISCAL IMPACT:

The Office of Legislative Services (OLS) notes that the substitute will have no fiscal impact on the school district. First, the Camden School District already employs a common enrollment system, and all public schools in the district, except for one charter school, currently participate in it. Given that the infrastructure to operate a common enrollment system already exists, the OLS does not believe that the inclusion of one additional school would change the cost. Second, while the substitute provides clarification that renaissance school project employees are members of the State-administered retirement systems, the OLS notes that these individuals are currently considered members of the State-administered retirement systems. Third, while the revised definition of “urban campus area” may allow a nonprofit entity to establish a school building in a different area of the renaissance school district than is allowed under current law, any such action would be subject to a contractual agreement between the nonprofit entity and the renaissance school district.

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 4181
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: JUNE 25, 2018

SUMMARY

- Synopsis:** Requires establishment of common enrollment system in renaissance school district; expands definition of urban campus area; clarifies that employees of renaissance school projects are in State-administered retirement systems.
- Type of Impact:** No impact.
- Agencies Affected:** School District

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Local Cost		No Impact	

- The Office of Legislative Services (OLS) concludes that the legislation would not have any impact on revenues or expenditures for the Camden School District – the only renaissance school district in the State. First, the OLS notes that the district currently operates a common enrollment system in which all public schools located in the district, except for one charter school, participate. The OLS anticipates that there would be no additional cost associated with including that school in the common enrollment system. Second, while the legislation clarifies that employees of the renaissance school projects are members of the State-administered retirement systems, these employees are currently enrolled in these systems. Third, while the legislation would allow a nonprofit entity to establish a new school facility in an area of the district in which the nonprofit entity is currently not authorized to operate, the bill does not provide the nonprofit entity with the authority to unilaterally establish a new facility. Rather, such a decision would continue to be subject to an agreement with the district.

BILL DESCRIPTION

P.L.2011, c.176 (C.18A:36C-1 et seq.) provided for the creation of renaissance school districts, districts with a history of poor performance on Statewide assessments that elect to enter

into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the bill's provisions. The bill makes three changes that would affect the district:

1) the bill requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects would be required to participate;

2) the bill modifies the definition of an urban campus area. A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This bill provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project; and

3) the bill clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the legislation will not have a fiscal impact on the school district. With respect to the requirement that the school district establish a common enrollment system, and that all public schools located in the district participate in it, the Camden School District currently operates a common enrollment system, and all public schools in the district, with the exception of one charter school, participate in the enrollment system. To the extent that the system is already established and is used by nearly all of the public schools located in the district, the OLS anticipates that the one remaining school could be absorbed into the system at no additional cost.

The change in the definition of urban campus area would not cause a change in school district expenditures. While the bill allows a nonprofit entity that established a renaissance school project to shift the geographic area in which it may establish a new school facility, current law would continue to require an agreement between the school district and the nonprofit entity to open a new school.

The bill's clarification that renaissance school project employees are members of the State-administered retirement systems would not have a fiscal impact. Currently, these employees are enrolled in these retirement systems.

FE to ACS for A4181

3

Section: Education

*Analyst: Allen T. Dupree
Principal Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 4181

STATE OF NEW JERSEY

218th LEGISLATURE

DATED: OCTOBER 1, 2018

SUMMARY

Synopsis: Clarifies that employees of renaissance school projects are in State-administered retirement systems.

Type of Impact: No Impact

Agencies Affected: School District

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		No Impact	
Local Cost		No Impact	

- The Office of Legislative Services (OLS) concludes that the legislation would not have any impact on revenues or expenditures for the State or the Camden School District – the only renaissance school district in the State. While the legislation clarifies that employees of renaissance school projects are members of the State-administered retirement systems, these employees are currently enrolled in these systems.

BILL DESCRIPTION

P.L.2011, c.176 (C.18A:36C-1 et seq.) provided for the creation of renaissance school districts, districts with a history of poor performance on Statewide assessments that elect to enter into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the bill's provisions. The bill clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would not have an impact on revenues or expenditures for the State or the Camden School District. Currently, employees of renaissance school projects are members of the State-administered retirement systems. While this clarifies their status as members, it would not alter the membership.

Section: Education
Analyst: Allen T. Dupree
Principal Fiscal Analyst
Approved: Frank W. Haines III
Legislative Budget and Finance Officer

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 2722

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED JUNE 14, 2018

Sponsored by:

Senator NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

SYNOPSIS

Requires establishment of common enrollment system in renaissance school district; expands definition of urban campus area; clarifies that employees of renaissance school projects are in State administered retirement systems.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning renaissance school districts, supplementing
2 chapter 36C of Title 18A of the New Jersey Statutes, and
3 revising various parts of the statutory law.

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

7
8 1. (New section) a. The superintendent, or State
9 superintendent, as may be applicable, of a renaissance school
10 district that has established one or more renaissance school projects
11 shall establish and operate, or enter into a contract with a separate
12 entity to operate, a common enrollment system. All district schools,
13 charter schools, and renaissance school projects in the renaissance
14 school district shall be required to participate in the common
15 enrollment system. The common enrollment system shall include
16 measures to ensure that each school is equitably serving students
17 with disabilities, English language learners, and all other students.
18 The common enrollment system may grant enrollment priority to a
19 student who has been impacted by a school closure.

20 b. As used in this section, "common enrollment system" means
21 an enrollment procedure under which students shall apply to enroll
22 in any district school, charter school, or renaissance school project
23 located in the renaissance school district through a streamlined
24 application process that requires the completion of one application
25 for multiple schools, and which includes measures to ensure that
26 each school is equitably serving students with disabilities, English
27 language learners, and all other students.

28
29 2. Section 3 of P.L.2011, c.176 (C.18A:36C-3) is amended to
30 read as follows:

31 3. As used in this act:

32 "Commissioner" means the Commissioner of Education.

33 "Failing district" means: in accordance with data from the
34 Statewide assessment reports issued by the Department of
35 Education (1) in the case of a school district located in a city of the
36 first class, a school district in which at least 40% of the students
37 scored in the partially proficient range in the language arts and
38 mathematics sections of each State assessment administered in the
39 2009-2010 school year; and (2) in the case of a school district
40 located in a city of the second class, a school district in which at
41 least 45% of the students scored in the partially proficient range in
42 the language arts and mathematics sections of each State assessment
43 administered in the 2009-2010 school year.

44 "Per pupil expenditure" means the sum of the budget year
45 equalization aid per pupil, budget year adjustment aid per pupil, and

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.

1 the prebudget year general fund tax levy per pupil inflated by the
2 CPI rate most recent to the calculation.

3 "School facility" means and includes any structure, building, or
4 facility used wholly or in part for educational purposes by the
5 students of a school district.

6 "Renaissance school district" is a failing district in which
7 renaissance school projects shall be established.

8 "Renaissance school project" means a newly-constructed school,
9 or group of schools in an urban campus area, that provides an
10 educational program for students enrolled in grades pre-K through
11 12 or in a grade range less than pre-K through 12, that is agreed to
12 by the school district, and is operated and managed by a nonprofit
13 entity in a renaissance school district. A school or group of schools
14 may include existing facilities that have undergone substantial
15 reconstruction by the renaissance school project applicant. A
16 substantial reconstruction shall: meet all applicable building codes;
17 comply with the Uniform Construction Code enhancements where
18 the health and safety of the building occupants are affected; comply
19 with all "Americans with Disabilities Act of 1990" regulations
20 outlined in the New Jersey Barrier Free Subcode at N.J.A.C.5:23-7
21 et seq.; and comply with the Uniform Construction Code and other
22 applicable State and federal laws for radon, lead, asbestos, and
23 other contaminants and be subject to the enforcement of such
24 standards by the applicable State or federal agency. The first
25 facility of a renaissance school project shall be a newly-constructed
26 school facility which is designed to house, upon completion, at least
27 20 percent of the total number of students to be enrolled in the
28 renaissance school project. A renaissance school project may
29 include a dormitory and related facilities as permitted pursuant to
30 section 5 of P.L.2011, c.176 (C.18A:36C-5).

31 "Urban campus area" means the area within a 1.5-mile radius of
32 the site of **【the initial】** a school of a renaissance school project
33 which has been designated by the nonprofit entity that operates the
34 renaissance school project, except that a high school building which
35 is part of the renaissance school project may be located within a
36 two-mile radius of the site of **【the initial】** a school of a renaissance
37 school project.

38 (cf: P.L.2014, c.61, s.1)

39

40 3. N.J.S.18A:66-2 is amended to read as follows:

41 18A:66-2. As used in this article:

42 a. "Accumulated deductions" means the sum of all the
43 amounts, deducted from the compensation of a member or
44 contributed by or in behalf of the member, including interest
45 credited to January 1, 1956, standing to the credit of the member's
46 individual account in the annuity savings fund.

47 b. "Annuity" means payments for life derived from the
48 accumulated deductions of a member as provided in this article.

1 c. "Beneficiary" means any person receiving a retirement
2 allowance or other benefit as provided in this article.

3 d. (1) "Compensation" means the contractual salary, for
4 services as a teacher as defined in this article, which is in
5 accordance with established salary policies of the member's
6 employer for all employees in the same position but shall not
7 include individual salary adjustments which are granted primarily in
8 anticipation of the member's retirement or additional remuneration
9 for performing temporary or extracurricular duties beyond the
10 regular school day or the regular school year.

11 (2) In the case of a person who becomes a member of the
12 retirement system on or after July 1, 2007, "compensation" means
13 the amount of the contractual salary equivalent to the annual
14 maximum wage contribution base for Social Security, pursuant to
15 the Federal Insurance Contributions Act, for services as a teacher as
16 defined in this article, which is in accordance with established
17 salary policies of the member's employer for all employees in the
18 same position but shall not include individual salary adjustments
19 which are granted primarily in anticipation of the member's
20 retirement or additional remuneration for performing temporary or
21 extracurricular duties beyond the regular school day or the regular
22 school year. This paragraph shall not apply to a person who at the
23 time of enrollment in the retirement system on or after July 1, 2007
24 transfers service credit from another State-administered retirement
25 system pursuant to N.J.S.18A:66-15.1, but shall apply to a former
26 member of the retirement system who has been granted a retirement
27 allowance and is reenrolled in the retirement system on or after July
28 1, 2007 pursuant to N.J.S.18A:66-53.2 after becoming employed
29 again in a position that makes the person eligible to be a member of
30 the retirement system.

31 For the period of July 1, 2009 through June 30, 2011,
32 "contractual salary" for State employees shall include wage
33 increases under a collective negotiations agreement notwithstanding
34 that, by amendment to that collective negotiations agreement, the
35 effective date of the contractual increase has been deferred. For the
36 purpose of this paragraph, "State employee" means an employee in
37 the Executive Branch of State government of New Jersey.

38 e. "Employer" means the State, the board of education or any
39 educational institution or agency of or within the State by which a
40 teacher is paid.

41 f. (1) "Final compensation" means the average annual
42 compensation for which contributions are made for the three years
43 of creditable service in New Jersey immediately preceding the
44 member's retirement or death, or it shall mean the average annual
45 compensation for New Jersey service for which contributions are
46 made during any three fiscal years of his or her membership
47 providing the largest possible benefit to the member or the
48 member's beneficiary.

1 (2) In the case of a person who becomes a member of the
2 retirement system on or after the effective date of P.L.2010, c.1,
3 "final compensation" means the average annual compensation for
4 which contributions are made for the five years of creditable service
5 in New Jersey immediately preceding the member's retirement or
6 death, or it shall mean the average annual compensation for New
7 Jersey service for which contributions are made during any five
8 fiscal years of his or her membership providing the largest possible
9 benefit to the member or the member's beneficiary.

10 g. "Fiscal year" means any year commencing with July 1, and
11 ending with June 30, next following.

12 h. "Pension" means payments for life derived from
13 appropriations made by the State or employers to the Teachers'
14 Pension and Annuity Fund.

15 i. "Annuity reserve" means the present value of all payments
16 to be made on account of any annuity or benefit in lieu of an
17 annuity, granted under the provisions of this article, computed on
18 the basis of such mortality tables recommended by the actuary as
19 the board of trustees adopts, with regular interest.

20 j. "Pension reserve" means the present value of all payments to
21 be made on account of any pension or benefit in lieu of a pension
22 granted to a member from the Teachers' Pension and Annuity Fund,
23 computed on the basis of such mortality tables recommended by the
24 actuary as the board of trustees adopts, with regular interest.

25 k. "Present-entrant" means any member of the Teachers'
26 Pension and Annuity Fund who had established status as a "present-
27 entrant member" of said fund prior to January 1, 1956.

28 l. "Rate of contribution initially certified" means the rate of
29 contribution certified by the retirement system in accordance with
30 N.J.S.18A:66-29.

31 m. "Regular interest" shall mean interest as determined by the
32 State Treasurer, after consultation with the Directors of the
33 Divisions of Investment and Pensions, the board of trustees and the
34 actuary. It shall bear a reasonable relationship to the percentage rate
35 of earnings on investments based on the market value of assets but
36 shall not exceed the assumed percentage rate of increase applied to
37 salaries plus 3%, provided however that the board of trustees shall
38 not set the average percentage rate of increase applied to salaries
39 below 6%.

40 n. "Retirement allowance" means the pension plus the annuity.

41 o. "School service" means any service as a "teacher" as defined
42 in this section.

43 p. "Teacher" means any regular teacher, special teacher,
44 helping teacher, teacher clerk, principal, vice-principal, supervisor,
45 supervising principal, director, superintendent, city superintendent,
46 assistant city superintendent, county superintendent, State
47 Commissioner or Assistant Commissioner of Education, members
48 of the State Department of Education who are certificated,

1 unclassified professional staff and other members of the teaching or
2 professional staff of any class, public school, renaissance school
3 project established pursuant to P.L.2011, c.176 (C.18A:36C-1 et
4 seq.) upon commencement of employment, high school, normal
5 school, model school, training school, vocational school, truant
6 reformatory school, or parental school, and of any and all classes or
7 schools within the State conducted under the order and
8 superintendence, and wholly or partly at the expense of the State
9 Board of Education, of a duly elected or appointed board of
10 education, board of school directors, or board of trustees of the
11 State or of any school district or normal school district thereof, and
12 any persons under contract or engagement to perform one or more
13 of these functions. It shall also mean any person who serves, while
14 on an approved leave of absence from regular duties as a teacher, as
15 an officer of a local, county or State labor organization which
16 represents, or is affiliated with an organization which represents,
17 teachers as defined in this subsection. No person shall be deemed a
18 teacher within the meaning of this article who is a substitute
19 teacher. In all cases of doubt the board of trustees shall determine
20 whether any person is a teacher as defined in this article.

21 q. "Teachers' Pension and Annuity Fund," hereinafter referred
22 to as the "retirement system" or "system," is the corporate name of
23 the arrangement for the payment of retirement allowances and other
24 benefits under the provisions of this article, including the several
25 funds placed under said system. By that name all its business shall
26 be transacted, its funds invested, warrants for money drawn, and
27 payments made and all of its cash and securities and other property
28 held.

29 r. "Veteran" means any honorably discharged officer, soldier,
30 sailor, airman, marine or nurse who served in any Army, Air Force
31 or Navy of the Allies of the United States in World War I between
32 July 14, 1914, and November 11, 1918, or who served in any Army,
33 Air Force or Navy of the Allies of the United States in World War
34 II, between September 1, 1939, and September 2, 1945, and who
35 was inducted into such service through voluntary enlistment, and
36 was a citizen of the United States at the time of such enlistment, and
37 who did not, during or by reason of such service, renounce or lose
38 United States citizenship, and any officer, soldier, sailor, marine,
39 airman, nurse or army field clerk who has served in the active
40 military or naval service of the United States and has or shall be
41 discharged or released therefrom under conditions other than
42 dishonorable, in any of the following wars, uprisings, insurrections,
43 expeditions or emergencies, and who has presented to the retirement
44 system evidence of such record of service in form and content
45 satisfactory to said retirement system:

46 (1) The Indian wars and uprisings during any of the periods
47 recognized by the War Department of the United States as periods
48 of active hostility;

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7

- 1 (2) The Spanish-American War between April 20, 1898, and
2 April 11, 1899;
- 3 (3) The Philippine insurrections and expeditions during the
4 periods recognized by the War Department of the United States as
5 of active hostility from February 4, 1899, to the end of 1913;
- 6 (4) The Peking relief expedition between June 20, 1900, and
7 May 27, 1902;
- 8 (5) The army of Cuban occupation between July 18, 1898, and
9 May 20, 1902;
- 10 (6) The army of Cuban pacification between October 6, 1906,
11 and April 1, 1909;
- 12 (7) The Mexican punitive expedition between March 14, 1916,
13 and February 7, 1917;
- 14 (8) The Mexican border patrol, having actually participated in
15 engagements against Mexicans between April 12, 1911, and June
16 16, 1919;
- 17 (9) World War I, between April 6, 1917, and November 11,
18 1918;
- 19 (10) World War II, between September 16, 1940, and December
20 31, 1946, who shall have served at least 90 days in such active
21 service, exclusive of any period of assignment (1) for a course of
22 education or training under the Army Specialized Training Program
23 or the Navy College Training Program, which course was a
24 continuation of a civilian course and was pursued to completion, or
25 (2) as a cadet or midshipman at one of the service academies, any
26 part of which 90 days was served between said dates; provided that
27 any person receiving an actual service-incurred injury or disability
28 shall be classed as a veteran, whether or not that person has
29 completed the 90-day service as herein provided;
- 30 (11) Korean conflict on or after June 23, 1950, and on or prior to
31 January 31, 1955, who shall have served at least 90 days in such
32 active service, exclusive of any period of assignment (1) for a
33 course of education or training under the Army Specialized
34 Training Program or the Navy College Training Program, which
35 course was a continuation of a civilian course and was pursued to
36 completion, or (2) as a cadet or midshipman at one of the service
37 academies, any part of which 90 days was served between said
38 dates; provided that any person receiving an actual service-incurred
39 injury or disability shall be classed as a veteran, whether or not that
40 person has completed the 90-day service as herein provided; and
41 provided further that any member classed as a veteran pursuant to
42 this subsection prior to August 1, 1966, shall continue to be classed
43 as a veteran, whether or not that person completed the 90-day
44 service between said dates as herein provided;
- 45 (12) Lebanon crisis, on or after July 1, 1958, who has served in
46 Lebanon or on board any ship actively engaged in patrolling the
47 territorial waters of that nation for a period, continuous or in the
48 aggregate, of at least 14 days commencing on or before November

1 1, 1958 or the date of termination of that conflict, as proclaimed by
2 the President of the United States or Congress, whichever date of
3 termination is the latest, in such active service; provided, that any
4 person receiving an actual service-incurred injury or disability shall
5 be classed as a veteran whether or not that person has completed the
6 14 days' service as herein provided;

7 (13) Vietnam conflict, on or after December 31, 1960, and on or
8 prior to May 7, 1975, who shall have served at least 90 days in such
9 active service, exclusive of any period of assignment (1) for a
10 course of education or training under the Army Specialized
11 Training Program or the Navy College Training Program, which
12 course was a continuation of a civilian course and was pursued to
13 completion, or (2) as a cadet or midshipman at one of the service
14 academies, any part of which 90 days was served between said
15 dates; and exclusive of any service performed pursuant to the
16 provisions of section 511(d) of Title 10, United States Code,
17 pursuant to an enlistment in the Army National Guard or as a
18 reserve for service in the Army Reserve, Naval Reserve, Air Force
19 Reserve, Marine Corps Reserve, or Coast Guard Reserve; provided
20 that any person receiving an actual service-incurred injury or
21 disability shall be classed as a veteran, whether or not that person
22 has completed the 90-day service as herein provided;

23 (14) Lebanon peacekeeping mission, on or after September 26,
24 1982, who has served in Lebanon or on board any ship actively
25 engaged in patrolling the territorial waters of that nation for a
26 period, continuous or in the aggregate, of at least 14 days
27 commencing on or before December 1, 1987 or the date of
28 termination of that mission, as proclaimed by the President of the
29 United States or Congress, whichever date of termination is the
30 latest, in such active service; provided, that any person receiving an
31 actual service-incurred injury or disability shall be classed as a
32 veteran whether or not that person has completed the 14 days'
33 service as herein provided;

34 (15) Grenada peacekeeping mission, on or after October 23,
35 1983, who has served in Grenada or on board any ship actively
36 engaged in patrolling the territorial waters of that nation for a
37 period, continuous or in the aggregate, of at least 14 days
38 commencing on or before November 21, 1983 or the date of
39 termination of that mission, as proclaimed by the President of the
40 United States or Congress, whichever date of termination is the
41 latest, in such active service; provided, that any person receiving an
42 actual service-incurred injury or disability shall be classed as a
43 veteran whether or not that person has completed the 14 days'
44 service as herein provided;

45 (16) Panama peacekeeping mission, on or after December 20,
46 1989 or the date of inception of that mission, as proclaimed by the
47 President of the United States or Congress, whichever date of
48 inception is earliest, who has served in Panama or on board any ship

1 actively engaged in patrolling the territorial waters of that nation for
2 a period, continuous or in the aggregate, of at least 14 days
3 commencing on or before January 31, 1990 or the date of
4 termination of that mission, as proclaimed by the President of the
5 United States or Congress, whichever date of termination is the
6 latest, in such active service; provided, that any person receiving an
7 actual service-incurred injury or disability shall be classed as a
8 veteran whether or not that person has completed the 14 days'
9 service as herein provided;

10 (17) Operation "Desert Shield/Desert Storm" mission in the
11 Arabian peninsula and the Persian Gulf, on or after August 2, 1990
12 or the date of inception of that operation, as proclaimed by the
13 President of the United States or Congress, whichever date of
14 inception is earliest, who has served in the Arabian peninsula or on
15 board any ship actively engaged in patrolling the Persian Gulf for a
16 period, continuous or in the aggregate, of at least 14 days
17 commencing on or before the date of termination of that mission, as
18 proclaimed by the President of the United States or Congress,
19 whichever date of termination is the latest, in such active service;
20 provided, that any person receiving an actual service-incurred injury
21 or disability shall be classed as a veteran whether or not that person
22 has completed the 14 days' service as herein provided;

23 (18) Operation Northern Watch and Operation Southern Watch,
24 on or after August 27, 1992, or the date of inception of that
25 operation, as proclaimed by the President of the United States,
26 Congress or United States Secretary of Defense, whichever date of
27 inception is earliest, who served in the theater of operation,
28 including in the Arabian peninsula and the Persian Gulf, and in
29 direct support of that operation for a period, continuously or in the
30 aggregate, of at least 14 days in such active service, commencing on
31 or before the date of termination of the operation, as proclaimed by
32 the President of the United States, Congress or United States
33 Secretary of Defense, whichever date of termination is latest;
34 provided, that any person receiving an actual service-incurred injury
35 or disability while engaged in such service shall be classed as a
36 veteran whether or not that person has completed the 14 days'
37 service as herein provided;

38 (19) Operation "Restore Hope" in Somalia, on or after December
39 5, 1992, or the date of inception of that operation as proclaimed by
40 the President of the United States or Congress, whichever date is
41 earliest, who has served in Somalia or on board any ship actively
42 engaged in patrolling the territorial waters of that nation for a
43 period, continuously or in the aggregate, of at least 14 days in such
44 active service commencing on or before March 31, 1994; provided
45 that any person receiving an actual service-incurred injury or
46 disability shall be classed as a veteran whether or not that person
47 has completed the 14-day service as herein provided;

1 (20) Operations "Joint Endeavor" and "Joint Guard" in the
2 Republic of Bosnia and Herzegovina, on or after November 20,
3 1995, who served in such active service in direct support of one or
4 both of the operations for at least 14 days, continuously or in the
5 aggregate, commencing on or before June 20, 1998, and (1) was
6 deployed in that nation or in another area in the region, or (2) was
7 on board a United States naval vessel operating in the Adriatic Sea,
8 or (3) operated in airspace above the Republic of Bosnia and
9 Herzegovina; provided that any person receiving an actual service-
10 incurred injury or disability shall be classed as a veteran whether or
11 not that person completed the 14-day service requirement;

12 (21) Operation "Enduring Freedom", on or after September 11,
13 2001, who served in a theater of operation and in direct support of
14 that operation for a period, continuously or in the aggregate, of at
15 least 14 days in such active service commencing on or before the
16 date the President of the United States or the United States
17 Secretary of Defense designates as the termination date of that
18 operation; provided, that any person receiving an actual service-
19 incurred injury or disability while engaged in such service shall be
20 classed as a veteran whether or not that person has completed the 14
21 days' service as herein provided; and

22 (22) Operation "Iraqi Freedom", on or after the date the President
23 of the United States or the United States Secretary of Defense
24 designates as the inception date of that operation, who served in
25 Iraq or in another area in the region in direct support of that
26 operation for a period, continuously or in the aggregate, of at least
27 14 days in such active service commencing on or before the date the
28 President of the United States or the United States Secretary of
29 Defense designates as the termination date of that operation;
30 provided, that any person receiving an actual service-incurred injury
31 or disability while engaged in such service shall be classed as a
32 veteran whether or not that person has completed the 14 days'
33 service as herein provided.

34 "Veteran" also means any honorably discharged member of the
35 American Merchant Marine who served during World War II and is
36 declared by the United States Department of Defense to be eligible
37 for federal veterans' benefits.

38 s. "Child" means a deceased member's unmarried child either
39 (a) under the age of 18 or (b) of any age who, at the time of the
40 member's death, is disabled because of mental retardation or
41 physical incapacity, is unable to do any substantial, gainful work
42 because of the impairment and the impairment has lasted or can be
43 expected to last for a continuous period of not less than 12 months,
44 as affirmed by the medical board.

45 t. (1) "Widower," for employees of the State, means the man
46 to whom a member was married, or a domestic partner as defined in
47 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
48 the date of her death and to whom she continued to be married or a

1 domestic partner until the date of her death and who was receiving
2 at least one-half of his support from the member in the 12-month
3 period immediately preceding the member's death or the accident
4 which was the direct cause of the member's death. The dependency
5 of such a widower will be considered terminated by marriage of, or
6 establishment of a domestic partnership by, the widower subsequent
7 to the death of the member. In the event of the payment of an
8 accidental death benefit, the five-year qualification shall be waived.

9 (2) Subject to the provisions of paragraph (3) of this subsection,
10 "widower," for employees of public employers other than the State,
11 means the man to whom a member was married at least five years
12 before the date of her death and to whom she continued to be
13 married until the date of her death and who was receiving at least
14 one-half of his support from the member in the 12-month period
15 immediately preceding the member's death or the accident which
16 was the direct cause of the member's death. The dependency of such
17 a widower shall be considered terminated by marriage of the
18 widower subsequent to the death of the member. In the event of the
19 payment of an accidental death benefit, the five-year qualification
20 shall be waived.

21 (3) A public employer other than the State may adopt a
22 resolution providing that the term "widower" as defined in
23 paragraph (2) of this subsection shall include domestic partners as
24 provided in paragraph (1) of this subsection.

25 u. (1) "Widow," for employees of the State, means the woman
26 to whom a member was married, or a domestic partner as defined in
27 section 3 of P.L.2003, c.246 (C.26:8A-3), at least five years before
28 the date of his death and to whom he continued to be married or a
29 domestic partner until the date of his death and who was receiving
30 at least one-half of her support from the member in the 12-month
31 period immediately preceding the member's death or the accident
32 which was the direct cause of the member's death. The dependency
33 of such a widow will be considered terminated by the marriage of,
34 or establishment of a domestic partnership by, the widow
35 subsequent to the member's death. In the event of the payment of an
36 accidental death benefit, the five-year qualification shall be waived.

37 (2) Subject to the provisions of paragraph (3) of this subsection,
38 "widow," for employees of public employers other than the State,
39 means the woman to whom a member was married at least five
40 years before the date of his death and to whom he continued to be
41 married until the date of his death and who was receiving at least
42 one-half of her support from the member in the 12-month period
43 immediately preceding the member's death or the accident which
44 was the direct cause of the member's death. The dependency of such
45 a widow shall be considered terminated by the marriage of the
46 widow subsequent to the member's death. In the event of the
47 payment of an accidental death benefit, the five-year qualification
48 shall be waived.

1 (3) A public employer other than the State may adopt a
2 resolution providing that the term "widower" as defined in
3 paragraph (2) of this subsection shall include domestic partners as
4 provided in paragraph (1) of this subsection.

5 v. "Parent" means the parent of a member who was receiving at
6 least one-half of the parent's support from the member in the 12-
7 month period immediately preceding the member's death or the
8 accident which was the direct cause of the member's death. The
9 dependency of such a parent will be considered terminated by
10 marriage of the parent subsequent to the death of the member.

11 w. "Medical board" means the board of physicians provided for
12 in N.J.S.18A:66-56.

13 x. (1) "Spouse," for employees of the State, means the husband
14 or wife, or domestic partner as defined in section 3 of P.L.2003,
15 c.246 (C.26:8A-3), of a member.

16 (2) Subject to the provisions of paragraph (1) of this subsection,
17 "spouse," for employees of public employers other than the State,
18 means the husband or wife of a member.

19 (3) A public employer other than the State may adopt a
20 resolution providing that the term "spouse" as defined in paragraph
21 (2) of this subsection shall include domestic partners as provided in
22 paragraph (1) of this subsection.

23 (cf: P.L.2010, c.1, s.20)

24

25 4. Section 7 of P.L.1954, c.84 (C.43:15A-7) is amended to read
26 as follows:

27 7. There is hereby established the Public Employees'
28 Retirement System of New Jersey in the Division of Pensions and
29 Benefits of the Department of the Treasury. The membership of the
30 retirement system shall include:

31 a. The members of the former "State Employees' Retirement
32 System of New Jersey" enrolled as such as of December 30, 1954,
33 who shall not have claimed for refund their accumulated deductions
34 in said system as provided in this section;

35 b. Any person becoming an employee of the State or other
36 employer after January 2, 1955 and every veteran, other than a
37 retired member who returns to service pursuant to subsection b. of
38 section 27 of P.L.1966, c.217 (C.43:15A-57.2) and other than those
39 whose appointments are seasonal, becoming an employee of the
40 State or other employer after such date, including a temporary
41 employee with at least one year's continuous service. The
42 membership of the retirement system shall not include those
43 persons appointed to serve as described in paragraphs (2) and (3) of
44 subsection a. of section 2 of P.L.2007, c.92 (C.43:15C-2), except a
45 person who was a member of the retirement system prior to the
46 effective date of sections 1 through 19 of P.L.2007, c.92 (C.43:15C-
47 1 through C.43:15C-15, C.43:3C-9, C.43:15A-7, C.43:15A-75 and
48 C.43:15A-135) and continuously thereafter; and

1 c. Every employee veteran in the employ of the State or other
2 employer on January 2, 1955, who is not a member of any
3 retirement system supported wholly or partly by the State.

4 d. Membership in the retirement system shall be optional for
5 elected officials other than veterans, and for school crossing guards,
6 who having become eligible for benefits under other pension
7 systems are so employed on a part-time basis. Elected officials
8 commencing service on or after the effective date of sections 1
9 through 19 of P.L.2007, c.92 (C.43:15C-1 through C.43:15C-15,
10 C.43:3C-9, C.43:15A-7, C.43:15A-75 and C.43:15A-135) shall not
11 be eligible for membership in the retirement system based on
12 service in the elective public office, except that an elected official
13 enrolled in the retirement system as of that effective date who
14 continues to hold that elective public office or, for an elected
15 official specified in section 5 of P.L.2017, c.344 (C.43:15A-7.5),
16 another elective public office, without a break in service shall be
17 eligible to continue membership in the retirement system under the
18 terms and conditions of enrollment. Service in the Legislature shall
19 be considered a single elective public office. Any part-time school
20 crossing guard who is eligible for benefits under any other pension
21 system and who was hired as a part-time school crossing guard
22 prior to March 4, 1976, may at any time terminate his membership
23 in the retirement system by making an application in writing to the
24 board of trustees of the retirement system. Upon receiving such
25 application, the board of trustees shall terminate his enrollment in
26 the system and direct the employer to cease accepting contributions
27 from the member or deducting from the compensation paid to the
28 member. State employees who become members of any other
29 retirement system supported wholly or partly by the State as a
30 condition of employment shall not be eligible for membership in
31 this retirement system. Notwithstanding any other law to the
32 contrary, all other persons accepting employment in the service of
33 the State shall be required to enroll in the retirement system as a
34 condition of their employment, regardless of age.

35 (1) Before or on November 1, 2008, no person in employment,
36 office or position, for which the annual salary or remuneration is
37 fixed at less than \$1,500.00, shall be eligible to become a member
38 of the retirement system.

39 (2) After November 1, 2008, a person who was a member of the
40 retirement system on that date and continuously thereafter shall be
41 eligible to be a member of the retirement system in employment,
42 office or position, for which the annual salary or remuneration is
43 fixed at \$1,500 or more.

44 (3) After November 1, 2008 and before or on the effective date
45 of P.L.2010, c.1, a person who was not a member of the retirement
46 system on November 1, 2008, or who was a member of the
47 retirement system on that date but not continuously thereafter, and
48 who is in employment, office or position, for which the annual

1 salary or remuneration is certified by the applicable public entity at
2 \$7,500 or more, shall be eligible to become a member of the
3 retirement system. The \$7,500 minimum annual salary or
4 remuneration amount shall be adjusted annually by the Director of
5 the Division of Pensions and Benefits, by regulation, in accordance
6 with changes in the Consumer Price Index but by no more than 4
7 percent. "Consumer Price Index" means the average of the annual
8 increase, expressed as a percentage, in the consumer price index for
9 all urban consumers in the New York City and Philadelphia
10 metropolitan statistical areas during the preceding calendar year as
11 reported by the United States Department of Labor.

12 (4) After the effective date of P.L.2010, c.1, no person in an
13 employment, office or position of the State, or an agency, board,
14 commission, authority or instrumentality of the State, for which the
15 hours of work are fixed at fewer than 35 per week shall be eligible
16 to become a member of the retirement system; and no person in
17 employment, office or position with a political subdivision of the
18 State, or an agency, board, commission, authority or instrumentality
19 of a political subdivision of the State, for which the hours of work
20 are fixed by an ordinance or resolution of the political subdivision,
21 or agency, board, commission, authority or instrumentality thereof,
22 at fewer than 32 per week shall be eligible to become a member of
23 the retirement system. Any hour or part thereof, during which the
24 person does not work due to the person's participation in a
25 voluntary or mandatory furlough program shall not be deducted in
26 determining if a person's hours of work are fixed at fewer than 35 or
27 32 per week, as appropriate, for the purpose of eligibility.

28 e. Membership of any person in the retirement system shall
29 cease if he shall discontinue his service for more than two
30 consecutive years.

31 f. The accumulated deductions of the members of the former
32 "State Employees' Retirement System" which have been set aside in
33 a trust fund designated as Fund A as provided in section 5 of this
34 act and which have not been claimed for refund prior to February 1,
35 1955 shall be transferred from said Fund A to the Annuity Savings
36 Fund of the Retirement System, provided for in section 25 of this
37 act. Each member whose accumulated deductions are so transferred
38 shall receive the same prior service credit, pension credit, and
39 membership credit in the retirement system as he previously had in
40 the former "State Employees' Retirement System" and shall have
41 such accumulated deductions credited to his individual account in
42 the Annuity Savings Fund. Any outstanding obligations of such
43 member shall be continued.

44 g. Any school crossing guard electing to terminate his
45 membership in the retirement system pursuant to subsection d. of
46 this section shall, upon his request, receive a refund of his
47 accumulated deductions as of the date of his appointment to the
48 position of school crossing guard. Such refund of contributions

1 shall serve as a waiver of all benefits payable to the employee, to
2 his dependent or dependents, or to any of his beneficiaries under the
3 retirement system.

4 h. A temporary employee who is employed under the federal
5 Workforce Investment Act shall not be eligible for membership in
6 the system. Membership for temporary employees employed under
7 the federal Job Training Partnership Act, Pub.L.97-300 (29
8 U.S.C.s.1501) who are in the system on September 19, 1986 shall
9 be terminated, and affected employees shall receive a refund of
10 their accumulated deductions as of the date of commencement of
11 employment in a federal Job Training Partnership Act program.
12 Such refund of contributions shall serve as a waiver of all benefits
13 payable to the employee, to his dependent or dependents, or to any
14 of his beneficiaries under the retirement system.

15 i. Membership in the retirement system shall be optional for a
16 special service employee who is employed under the federal Older
17 American Community Service Employment Act, Pub.L.94-135 (42
18 U.S.C.s.3056). Any special service employee employed under the
19 federal Older American Community Service Employment Act,
20 Pub.L.94-135 (42 U.S.C.s.3056), who is in the retirement system on
21 the effective date of P.L.1996, c.139 may terminate membership in
22 the retirement system by making an application in writing to the
23 board of trustees of the retirement system. Upon receiving the
24 application, the board shall terminate enrollment in the system and
25 the member shall receive a refund of accumulated deductions as of
26 the date of commencement of employment in a federal Older
27 American Community Service Employment Act program. This
28 refund of contributions shall serve as a waiver of all benefits
29 payable to the employee, to any dependent or dependents, or to any
30 beneficiary under the retirement system.

31 j. An employee of the South Jersey Port Corporation who was
32 employed by the South Jersey Port Corporation as of the effective
33 date of P.L.1997, c.150 (C.34:1B-144 et al.) and who shall be re-
34 employed within 365 days of such effective date by a subsidiary
35 corporation or other corporation, which has been established by the
36 Delaware River Port Authority pursuant to subdivision (m) of
37 Article I of the compact creating the Delaware River Port Authority
38 (R.S.32:3-2), as defined in section 3 of P.L.1997, c.150 (C.34:1B-
39 146), shall be eligible to continue membership while an employee
40 of such subsidiary or other corporation.

41 k. An employee of a renaissance school project established
42 pursuant to P.L.2011, c.176 (C.18A:36C-1 et seq.) upon
43 commencement of employment.

44 (cf: P.L.2017, c.344, s.1)

45

46 5. This act shall take effect immediately.

STATEMENT

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P.L.2011, c.176 (C.18A:36C-1 et seq.) provided for the creation of renaissance school districts, districts with a history of poor performance on Statewide assessments that elect to enter into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the bill's provisions. The bill makes three changes that would affect the district.

First, the bill requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects would be required to participate.

Second, the bill modifies the definition of an urban campus area. A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This bill provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project. This provision is intended to permit more students in the renaissance school district to have access to a school of a renaissance school project, and is also more community-oriented.

Third, the bill also clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems. Charter school employees are members of the State-administered retirement systems, and it has always been the intent that the same would apply to employees of renaissance school projects.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2722

STATE OF NEW JERSEY

DATED: JUNE 18, 2018

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2722.

This bill requires each renaissance school district to establish a common enrollment system, clarifies that employees of renaissance school projects are members of the State-administered retirement systems, and modifies the definition of “urban campus area” under the “Urban Hope Act,” N.J.S.A.18A:36C-1 et seq.

Renaissance school districts are districts with a history of poor performance on Statewide assessments that elect to enter into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden City School District is the only district that has entered into such an agreement and is the only district affected by the bill’s provisions. The bill makes three changes that affect the district.

First, the bill requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, meaning a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects, would be required to participate.

Second, the bill modifies the definition of an “urban campus area.” A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This bill provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project.

Third, the bill also clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems.

FISCAL IMPACT:

The Office of Legislative Services (OLS) notes that the bill will have no fiscal impact on the school district. First, the Camden School District already employs a common enrollment system, and all public schools in the district, except for one charter school, currently participate in it. Given that the infrastructure to operate a common enrollment system already exists, the OLS does not believe that the inclusion of one additional school would change the cost. Second, while the bill provides clarification that renaissance school project employees are members of the State-administered retirement systems, the OLS notes that these individuals are currently considered members of the State-administered retirement systems. Third, while the revised definition of “urban campus area” may allow a nonprofit entity to establish a school building in a different area of the renaissance school district than is allowed under current law, any such action would be subject to a contractual agreement between the nonprofit entity and the renaissance school district.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2722
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: JUNE 25, 2018

SUMMARY

Synopsis: Requires establishment of common enrollment system in renaissance school district; expands definition of urban campus area; clarifies that employees of renaissance school projects are in State-administered retirement systems.

Type of Impact: No impact.

Agencies Affected: School District

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Local Cost		No Impact	

- The Office of Legislative Services (OLS) concludes that the legislation would not have any impact on revenues or expenditures for the Camden School District – the only renaissance school district in the State. First, the OLS notes that the district currently operates a common enrollment system in which all public schools located in the district, except for one charter school, participate. The OLS anticipates that there would be no additional cost associated with including that school in the common enrollment system. Second, while the legislation clarifies that employees of the renaissance school projects are members of the State-administered retirement systems, these employees are currently enrolled in these systems. Third, while the legislation would allow a nonprofit entity to establish a new school facility in an area of the district in which the nonprofit entity is currently not authorized to operate, the bill does not provide the nonprofit entity with the authority to unilaterally establish a new facility. Rather, such a decision would continue to be subject to an agreement with the district.

BILL DESCRIPTION

P.L.2011, c.176 (C.18A:36C-1 et seq.) provided for the creation of renaissance school districts, districts with a history of poor performance on Statewide assessments that elect to enter into an agreement with a nonprofit entity for the construction and operation of new public schools in that district. These schools are known as renaissance school projects. The Camden

City School District is the only district that has entered into such an agreement and is the only district affected by the bill's provisions. The bill makes three changes that would affect the district:

1) the bill requires that the superintendent or State superintendent, as applicable, of a renaissance school district establish a common enrollment system, a system under which students are required to apply to public schools located in the district through a single application. All public schools located in the district, including schools operated by the district, charter schools, and renaissance school projects would be required to participate;

2) the bill modifies the definition of an urban campus area. A renaissance school project must be in an urban campus area. Currently, an urban campus area is defined to mean the area within a 1.5-mile radius of the site of the initial school of a renaissance school project, except in the case of a high school building which may be located within a two-mile radius of the initial school of a renaissance school project. This bill provides that the 1.5-mile or 2-mile radius would apply to any building of the renaissance school designated by the nonprofit entity that operates the renaissance school project, not to the initial building of the renaissance school project; and

3) the bill clarifies that individuals employed by renaissance school projects are members of the State-administered retirement systems.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the legislation will not have a fiscal impact on the school district. With respect to the requirement that the school district establish a common enrollment system, and that all public schools located in the district participate in it, the Camden School District currently operates a common enrollment system, and all public schools in the district, with the exception of one charter school, participate in the enrollment system. To the extent that the system is already established and is used by nearly all of the public schools located in the district, the OLS anticipates that the one remaining school could be absorbed into the system at no additional cost.

The change in the definition of urban campus area would not cause a change in school district expenditures. While the bill allows a nonprofit entity that established a renaissance school project to shift the geographic area in which it may establish a new school facility, current law would continue to require an agreement between the school district and the nonprofit entity to open a new school.

The bill's clarification that renaissance school project employees are members of the State-administered retirement systems would not have a fiscal impact. Currently, these employees are enrolled in these retirement systems.

Section: Education

*Analyst: Allen T. Dupree
Principal Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

**ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY BILL NO. 4181**

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Committee Substitute for Assembly Bill No. 4181 with my recommendations for reconsideration.

Renaissance schools were made possible through the Urban Hope Act of 2012 to address significant failings in certain school districts and to provide improved options to parents in those school districts. These schools have played a critical role in supporting the revitalization of Camden's educational system and I applaud the sponsors' commitment to improving the educational opportunities afforded to the city's children.

Renaissance schools were originally conceptualized in the Urban Hope Act to operate as neighborhood schools in order to provide high quality education options in some of our most distressed neighborhoods. This concept was achieved in two ways: first, through the closure of district schools and the construction of new schools operated by renaissance school projects; and second, through the takeover of existing district schools by renaissance school projects. Renaissance schools have operated successfully as neighborhood schools, guaranteeing enrollment for any student living in the neighborhood surrounding the school.

This bill would make significant revisions to the Urban Hope Act by requiring a renaissance school district to establish a common enrollment system and expanding the definition of an urban campus area. I am concerned about the impact these changes may have on the students and schools in Camden's district schools, particularly before an independent review of the renaissance school program is complete. The Urban Hope Act appropriately directs the Commissioner of Education to recommend revisions to the law based

on the results of a mandatory independent review. I believe any significant changes to the law should be informed by this review. For these reasons, I cannot support an expansion of the law at this time.

I do, however, commend the sponsors for clarifying the intent to apply the same rules of eligibility for State-administered retirement systems to teaching staff of renaissance schools as are applied to teaching staff at district and charter schools. Our Departments have been working meticulously with the federal government to achieve this result since enactment of the Urban Hope Act, and this bill will help clarify applicability of Internal Revenue Service rules to teaching staff of renaissance schools.

Therefore, I herewith return Assembly Committee Substitute for Assembly Bill No. 4181 and recommend that it be amended as follows:

<u>Page 2, Title, Line 1:</u>	Delete "supplementing"
<u>Page 2, Title, Line 2:</u>	Delete "chapter 36C of Title 18A of the New Jersey Statutes,"
<u>Page 2, Section 1, Lines 8-27:</u>	Delete in their entirety
<u>Page 2, Section 2, Lines 29-45:</u>	Delete in their entirety
<u>Page 3, Section 2, Lines 1-38:</u>	Delete in their entirety
<u>Page 3, Section 3, Line 40:</u>	Delete "3." and insert "1."
<u>Page 12, Section 4, Line 25:</u>	Delete "4." and insert "2."
<u>Page 15, Section 5, Line 46:</u>	Delete "5." and insert "3."

Respectfully,

[seal]

/s/ Philip D. Murphy

Governor

Attest:

/s/ Matthew J. Platkin

Chief Counsel to the Governor

**GOVERNOR'S STATEMENT UPON SIGNING
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY BILL NO. 4181
(First Reprint)**

The Assembly Committee Substitute for Assembly Bill No. 4181 (First Reprint), which I am very pleased to approve today, represents an important step in support of renaissance schools and their many contributions to educating New Jersey's next generation of leaders. As I noted in August when recommending a few amendments to this highly technical bill, renaissance schools play a crucial role in the ongoing process of revitalizing Camden's educational system and I again applaud the sponsors' commitment to improving the educational opportunities afforded to the city's children.

Renaissance schools truly operate as neighborhood schools, guaranteeing enrollment in a first-class school for any student living in the surrounding neighborhood. For this reason and many others, I believe it is entirely appropriate for employees of renaissance school projects to be eligible for full membership in the State-administered retirement systems upon commencement of their employment. Indeed, many renaissance school employees formerly participated in these same retirement systems as school district employees, educating children in these same neighborhoods. I am strongly committed to taking all necessary steps at the State level to ensure participation by these employees in the State-administered pension systems, consistent with federal law and the statutes governing the establishment and maintenance of governmental defined qualified benefit plans in New Jersey. To this end, I am instructing the State Treasurer, in consultation with the Commissioner of Education, to work closely with affected renaissance schools and their eligible employees with the goal of expeditiously effectuating all of the goals of this important law. Moreover, I am instructing the Attorney General to provide all necessary legal guidance to ensure maintenance of the qualified status of the State's retirement systems.

Date: October 4, 2018

/s/ Philip D. Murphy

Governor

Attest:

/s/ Matthew J. Platkin

Chief Counsel to the Governor



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Newark, N.J.

Governor Murphy Takes Action on Legislation

10/4/2018

TRENTON – Today, Governor Phil Murphy signed the following bills into law:

A1053 w/GR (Houghtaling, Taliaferro, Andrzejczak/Van Drew) – Revises and expands laws on trespass and vandalism on agricultural and horticultural lands.

A2762 w/GR (Greenwald, Mukherji, Conaway/Ruiz, Singleton) – Revises law concerning temporary disability leave.

[Copy of Statement on A2762 w/GR](#)

A2763 w/GR (Greenwald, Downey, Pintor Marin/Cruz-Perez) – Requires additional data in annual temporary disability and family leave insurance reports.

[Copy of Statement on A2763 w/GR](#)

A3683 w/GR (Murphy, McKnight, Jones/Madden, Vitale) – Authorizes parking privileges for certain healthcare workers who render care at patients' home residences.

A3703 w/GR (DeAngelo/Cryan, Sweeney) – Revises ownership standards and exemptions under HVACR license law.

A3754 w/GR (McKnight, Speight, Barclay/Madden) – Exempts persons providing hair braiding services from licensure requirement, requires registration of hair braiding establishments.

A3808 w/GR (Greenwald, Bramnick, Murphy/Singleton, Oroho) – Provides for prompt payment of public contracts for purchase of goods and services.

A4118 w/GR (Swain, Tully, Murphy/Ruiz, Diegnan) – Permits individuals to submit TDI and family temporary disability leave claims to DOLWD prior to commencement of leave under certain circumstances and requires timely payment of benefits for such claims.

[Copy of Statement on A4118 w/GR](#)

A4181 w/GR (Jones, Murphy/Cruz-Perez) – Clarifies that employees of renaissance school projects are in State administered retirement systems.

[Copy of Statement on A4181 w/GR](#)

A4230 w/GR (Burzichelli, Mukherji, Houghtaling, Downey/Gopal, Sarlo) – Changes use of certain revenue derived from sports wagering at racetracks.

A4495 (Pintor Marin/Sarlo, Singleton) – Amends provisions regarding tax base and operative dates relative to CBT and combined reporting; provides CBT deduction in amount of certain foreign-related income; clarifies tax treatment of certain tax credits awarded by EDA.

[Copy of Statement on A4495](#)

A4496 (Burzichelli, Moriarty/Singleton) – Provides for collection of sales tax by marketplace facilitators and certain remote sellers, and clarifies collection of taxes related to hotel and transient accommodation occupancies.

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Governor Phil Murphy

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