

LEGISLATIVE HISTORY OF R.S.18A:58-1 to R.S.18A:58-5.2
(State School Incentive Equalization Law)

Previous Legislation

L.1954 - chap.85 - S191 State School Aid Law.
 Mar.29 - Introduced by Dumont and others.
 Apr.26 - Reported, amended.
 May 3 - Passed Senate.
 June 7 - Lost in Assembly.
 June 14 - Reconsidered, amended.
 June 14 - Second reading, amended.
 June 14 - Lost in Assembly.
 June 21 - Reconsidered, amended.
 June 21 - Passed Assembly, Emergency resolution, amended.
 June 28 - Passed Senate.
 June 30 - Approved chap.85.
~~Bills and amendments enclosed~~

L.1956 - chap.8 - S 2 - Dumont et al.
 The bill had a Statement.
 May 26 - Passed Senate, amended.
 May 26 - Passed Assembly.
~~[Bill and amendment enclosed].~~

L.1958 - chap.127 - A 288 - Kurtz, et al.
 The bill had a Statement.
 Apr.10 - Passed Assembly, amended.
 June 16 - Passed Senate, amended.
 June 16 - Passed Assembly.
~~[Bill and amendment enclosed].~~

L.1959 - chap.2 - S 15 - Crane, et al.
 Jan.19 - Passed Senate.
 Jan.26 - Passed Assembly, amended.
 Jan.26 - Passed Senate.
 Bill had no Statement.
~~[Bill and amendment enclosed].~~

L.1963 - chap.80 - A 485 - Bateman.
 Passed both houses, no amendment.
 Bill had no Statement.

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L.1966 - chap.31 - A 701 - Halpin, et al.
Apr.25 - Passed Assembly, emergency resolution, amended.
Apr.27 - Passed Senate.
Bill had no Statement.
~~[Bill and amendment enclosed.]~~

L.1966 - chap.327 - A 643 - Tanzman, et al.
May 23 - Passed Assembly.
June 8 - Committee Substitute passed Senate.
June 15 - Senate Committee Substitute passed Assembly, amended.
June 15 - Assembly amendment passed Senate.
Feb.23 - Approved.
Bill had no Statement.
~~[Bill and amendment enclosed].~~

L.1970 - chap.121 - S 663 - Hiering, et al.
Passed without amendment.

[See legislative history of 18A:58-4, 18A:58-6.1,
18A:58-24 for Statement on bill].

Bill which became law was:

L.1970 - chap.234 - S 575.
Feb.16 - Introduced by Bateman and 5 others.
Sept.28 - Passed Senate, amended.
Oct.8 - Passed Assembly, amended.
~~[Bill and amendments enclosed].~~

Previous bills introduced.

1969 - S 633 (Bateman and others).
Died in Committee.
Public hearing held.

Governors' Messages:

Robert B. Meyner, Governor, Inaugural Address, Jan.19, 1954 p.9.
Richard J. Hughes, Governor, 6th Annual Message, Jan.9, 1963,
p.26ff.
Richard J. Hughes, Governor, 7th Annual Message, Jan.14, 1969
p.26ff.

William T. Cahill, Governor, Toward Excellence in Education.
Special Message, April 9, 1970.

William T. Cahill, Governor, First Annual Message. Jan.12, 1971
p.10ff.

Hearings and Reports

- 974.90 N.J. School Aid Commission
E24 N.J. appraises schools and school taxes.
1952e Princeton, 1952.
- 974.90 N.J. School Aid Commission.
S372 Report 3 parts in 2. 1952
1952b
- 974.90 N.J. Commission on State Tax Policy.
T235 Public school financing in N.J.
1954 Seventh report... March 1954.
- 974.90 N.J. Commission on State Tax Policy.
T235 Financing school buildings in N.J.
1955 Eighth report... May 1955.
- 974.90 N.J. Commission on State Tax Policy
T235 Increased State aid to public schools.
1963 10th report January 10, 1963.
- 974.90 N.J. Legislature. Assembly. Committee on
E24 Education.
1965 Public hearing on Senate Bill no.10.
A act relating to state aid to school districts
for the school year commencing July 1, 1965.
February 11, 1965.
- 974.90 N.J. Governor's Task Force on Education
E24 Shared cost: a new partnership for
1966p N.J. school finance. Report...to Governor
and Legislature, 1966.

- 974.90 N.J. Governor's Conference on Education.
E24 Collected policy papers from the Governor's
1966p Conference on Education. 1966.
- 974190 N.J. State aid to School Districts Study
E24 Commission.
1966a Public hearing... Trenton, 1966.
- 974.90 N.J. Governor's Conference on Education
E24 Blueprint for improvement. Report
1966t to Governor Richard Hughes, 1966.
- 974.90 N.J. State Aid to School Districts Study
E24 Commission
1968 (d)g A commitment to New Jersey's children;
a state school support program for N.J. Final
Report...December 19, 1968.
Raymond Bateman, Chairman.
- 974.90 Harburger, Carl L.
E24 Testimony before the Joint Education
1969a Committee [of the] N.J. Legislature
May 13, 1969.
- 974.90 N.J. Department of Education.
E24 Summary of the N.J. Governor's messages to
1969d State Legislature [as regards to education] 1969.
- 974.90 N.J. Legislature. Senate Committee on Education
E24 Public hearing on S 633;... .
1969h State school incentive-equalization aid
law, held May 13, 1969.
- 974.90 N.J. Legislature. Senate and Assembly Education
E24 Committees.
1970j Public hearing...on Senate Bill no.575-
Increased State Aid for Public Schools...
June 1970.
- 974.90 Commissioner of Education.
E24 Progress Report on Bateman Act on
1971b implementation.

974.90 Slioka
E24 Individualization of instruction and the
1970z state school aid formula.
2 vols.

974.90 Evaluation financial resources.
E24 State bank.
1970w

974.905 State Federation of District Boards of
L51 Education. Legislative Bulletin vol.18
No.1 January 1, 1970 p.8, p.14.

Newspaper clippings:

Listed below are selected articles (copies enclosed) pertaining to this legislative history. For additional news articles see the file at the New Jersey State Library headed N.J. Education-Finance-State Aid.

Davis, John O.

"As State School Aid Mounted..." Courier Post, July 29, 1970

"State Plans 'Equalization' for School Aid" Courier Post,
July 21, 1970.

"School Aid to Pay More for Quality", Courier Post,
July 22, 1970.

McLaughlin, John P.

"Tax Equalizer Needed for Schools" Trenton Evening Times
July 28, 1970.

"Two State School Aid Bills Cleared for Vote in Senate"
Asbury Park Press, Sept. 22, 1970.

Braun, Robert J.

"Bill designed to help schools may hurt" Newark Star
Ledger Oct. 4, 1970.

HP/EH
Encl.

[THIRD OFFICIAL COPY REPRINT]

SENATE, No. 575

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 16, 1970

By Senators BATEMAN, TANZMAN and MILLER

Referred to Committee on Education

AN ACT concerning State aid to education, supplementing article 1 of chapter 58 of Title 18A of the New Jersey Statutes, amending sections 18A:58-1, 18A:58-2, 18A:58-3, 18A:58-4, 18A:58-5, 18A:58-5.2, 18A:58-8, 18A:58-10, 18A:58-21, 18A:58-23, 18A:58-24 and 18A:48-1 of the New Jersey Statutes, and repealing sections 18A:58-6.1 and 18A:58-12 of the New Jersey Statutes, and section 1 of P. L. 1968, chapter 301 (C. 18A:58-6.2).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. N. J. S. 18A:58-1 is amended to read as follows:

2 18A:58-1. This article shall be known as the "State School
3 *Incentive Equalization Aid Law*" [(1954)].

1 2. N. J. S. 18A:58-2 is amended to read as follows:

2 18A:58-2. For the purposes of this article, unless the context
3 clearly requires a different meaning:

4 "Resident enrollment" shall mean the number of full-time
5 pupils who are residents of the district and are enrolled in day
6 schools on the last *school day* of September *or on the last school*
7 *day of May* during the school year in which calculation of aid is
8 made and are attending the public schools of the district or a school
9 district or State college demonstration school to which the district
10 of residence pays tuition; provided, that no district shall count in
11 its enrollment any pupil regularly attending on a full-time basis
12 a county vocational school in the same county.

13 "Weighted pupils" shall mean the number of resident pupils
14 multiplied by the following units:

15	<i>Kindergarten pupils</i>75	<i>units</i>
16	<i>Elementary pupils (grade 1 through grade 6)</i>	1.0	<i>units</i>

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

17	<i>Seventh and eighth-grade pupils not in ap-</i>		
18	<i>proved middle schools or junior high</i>		
19	<i>schools approved by the Commissioner of</i>		
20	<i>Education</i>	1.15	units
21	<i>Pupils in approved middle schools and in ap-</i>		
22	<i>proved junior high schools</i>	1.25	units
23	<i>Five and 6-year high school pupils *(equated</i>		
23A	<i>to full-time)*</i>	1.275	units
24	<i>Senior and 4-year high school pupils</i>		
24A	<i>*(equated to full-time)*</i>	1.3	units
25	<i>Vocational school pupils in vocational schools</i>		
26	<i>or classes (equated to full-time)</i>	2.0	units
27	<i>Evening school pupils (equated to full-time)</i>	1.0	units
28	<i>Accredited evening high school pupils and</i>		
29	<i>pupils in post-graduate high school classes</i>		
30	<i>(equated to full-time)</i>	1.3	units
31	<i>“AFDC children” shall mean the children aged 5 to 17 inclusive,</i>		
32	<i>in families residing in the school district and receiving aid through</i>		
33	<i>payments under a program of aid to families with dependent</i>		
34	<i>children certified to the commissioner by the Department of Institu-</i>		
35	<i>tions and Agencies. Each such child shall be weighted by *[an]*</i>		
36	<i>**an** **[*one*]** additional * [.5 units] * **[*units*]** ** ** [.5</i>		
37	<i>unit**]** ** *.75 units** in counting the number of weighted</i>		
38	<i>children for the school district. With respect to regional school</i>		
39	<i>districts and their component districts, AFDC children shall be</i>		
40	<i>allocated among the regional district and its component districts</i>		
41	<i>in proportion to the number of resident pupils in each of them as</i>		
41A	<i>determined from the enrollment on the last school day of Septem-</i>		
41B	<i>ber. **[* Any school district which has an increase in its Septem-</i>		
41C	<i>ber 30 enrollment of more than 3% of the preceding school year’s</i>		
41D	<i>enrollment as of June 30 may, upon certification to the commis-</i>		
41E	<i>sioner, apply for additional State aid. The commissioner shall</i>		
41F	<i>upon verification of such certificate weigh each additional child</i>		
41G	<i>over the June 30 enrollment as an additional .5 unit in counting the</i>		
41H	<i>number of weighted children for the district.**]**</i>		
42	<i>“Classification of school districts” shall mean the classification</i>		
43	<i>of school districts ***to be*** established ***[by]** ** [the com-</i>		
44	<i>missioner, with the approval of]** ** [the State board,]**</i>		
44A	<i>***pursuant to N. J. S. 18A:58-3*** in one of the following</i>		
44B	<i>categories:</i>		
45	<i>a. Nonoperating district, being one which operates no schools of</i>		
46	<i>its own;</i>		

47 b. Basic district, being one in which one or more schools are
 48 operated and which ~~***[the]*** **[commissioner]**~~ ~~***[State~~
 49 ~~board]** determines]~~*** meets all basic requirements of school law;

50 c. Limited district, being a basic district which meets such other
 51 criteria as shall be ~~***[required by]~~ ~~**[the commissioner with~~
 52 ~~the approval of]**~~ ~~***[the State board]~~ ~~*** prescribed by~~
 52A law***;

53 d. Intermediate district, being a district which meets all require-
 54 ments of a limited district and which meets such other additional
 55 criteria as shall be ~~***[required by]~~ ~~**[the commissioner with~~
 56 ~~the approval of]**~~ ~~***[the State board]~~ ~~*** prescribed by~~
 56A law***;

57 e. Precomprehensive district, being a district which meets all
 58 requirements of an intermediate district and which meets such
 59 other additional criteria as shall be ~~***[required by]~~ ~~**[the~~
 60 ~~commissioner with the approval of]**~~ ~~***[the State board]~~ ~~***~~
 60A ~~*** prescribed by law***~~; or

61 f. Comprehensive district, being a district which meets all re-
 62 quirements of a precomprehensive district and which operates
 63 educational programs characterized by their diversity and high
 64 quality as ~~***[required]~~ ~~*** prescribed***~~ for such classifica-
 65 tion by ~~**[the commissioner with the approval of]**~~ ~~***[the~~
 65A ~~State board]~~ ~~*** law***~~.

66 “Equalized valuations” shall mean the equalized valuation of
 67 the taxing district or taxing districts as certified by the director
 68 of the Division of Taxation on October 1 for the year in which the
 69 calculation of aid is made. In the event that the equalized table
 70 certified by the Director of the Division of Taxation shall be re-
 71 vised by the Division of Tax Appeals on or before January 15 of
 72 the next succeeding year, such revised valuations shall be used in any
 73 recomputation of aid.

74 “State average valuation per weighted resident pupil” shall
 75 mean the quotient resulting from dividing the total equalized
 76 valuations in the State of New Jersey as certified by the Director
 77 of the Division of Taxation on October 1 by the total number of
 78 weighted pupils of the State enrolled on the last school day of
 79 September.

80 “Minimum support aid” shall mean the product of the number
 81 of resident weighted pupils of the school district and one of the
 82 following rates:

83 Not less than \$100.00 in a nonoperating district,

84 Not less than \$110.00 in a basic district,

85 Not less than \$122.50 in a limited district,

86 *Not less than \$135.00 in an intermediate district,*
87 *Not less than \$147.50 in a precomprehensive district, or*
88 *Not less than \$160.00 in a comprehensive district.*
89 *“School district guaranteed valuation” shall mean the product*
90 *of the number of resident weighted pupils of the school district*
91 *and one of the following rates:*
92 *Not less than \$30,000.00 in a basic district,*
93 *Not less than \$33,750.00 in a limited district,*
94 *Not less than \$37,500.00 in a intermediate district,*
95 *Not less than \$41,250.00 in a precomprehensive district, or*
96 *Not less than \$45,000.00 in a comprehensive district.*
97 *“Current expense budget cost” shall mean the total appro-*
98 *priation for current expenses including the salaries of the sec-*
99 *retary of the board of education, the custodian of school moneys,*
100 *principals, teachers, janitors, medical inspectors and truant officers;*
101 *fuel, textbooks, school supplies, flags, transportation of pupils,*
102 *tuition of pupils attending schools in other districts with the con-*
103 *sent of the board, school libraries, truant schools, insurance, re-*
104 *pairs and renewals to buildings, furniture, equipment or apparatus,*
105 *and other incidental expenses of the schools.*
106 *“Net operating budget” shall mean the balance after deduct-*
107 *ing all estimated revenue from the current expense budget, ex-*
108 *cept the amount to be raised by local taxation and incentive*
109 *equalization aid apportioned.*
110 *“Approved special class” shall mean a class for physically*
111 *handicapped or mentally retarded children, and all other classes*
112 *for atypical pupils approved by the commissioner.*
113 *“Atypical pupils” shall mean pupils who are physically handi-*
114 *capped or mentally retarded and who are not accommodated*
115 *through the school facilities usually provided for normal pupils.*
116-118 *“Evening school pupils” shall mean pupils enrolled in evening*
119 *schools, except in classes for foreign-born residents, or in voca-*
120 *tional schools, or in accredited evening high schools, or in schools*
121 *known as adult schools.*
122 *“Accredited evening high school pupils” shall mean pupils*
123 *enrolled in an approved evening high school.*
124 *“Vocational school pupils” shall mean pupils enrolled in courses*
125 *of study for vocational education approved by the State board. No*
126 *district shall count in its enrollment any pupil regularly attending*
127 *on a full-time basis a county vocational school in the same county*
128 *regardless of whether or not tuition is paid for such pupil, but such*
129 *pupil shall be weighted and counted in the determination of State*
130 *aid in the county vocational school operating a full-time program.*

131 “Aid per resident weighted pupil” shall mean the quotient
 132 resulting from dividing the sum of the minimum support aid and
 133 the incentive equalization aid allocated to the school district by the
 134 number of weighted pupils on the last school day of September.

135 “Day school cost per pupil” shall mean the mean annual current
 136 operating cost of educating pupils, as determined by the com-
 137 missioner with the approval of the board.

138 “Aid per resident pupil” shall mean the quotient resulting
 139 from dividing the sum of the minimum support aid and the in-
 140 centive equalization aid allocated to the district by the number
 141 of resident pupils enrolled on the last school day of September.

142 “State aid” shall mean the sum of [equalization aid,] mini-
 143 mum support aid, incentive equalization aid, transportation re-
 144 imbursement, [and supplementary aid for special classes and]
 145 atypical pupil reimbursement [pupils], county aid and county
 146 vocational school aid, as determined pursuant to this article.

1 3. N. J. S. 18A :58-3 is amended to read as follows:

2 18A :58-3. [The foundation program for each school district
 3 in each school year shall be \$400.00 per pupil in resident enrollment.

4 For this purpose:

5 a. Pupils shall be counted as in enrollment who are residents
 6 of the district and are regularly attending the public schools of
 7 the district or of a school district or State college demonstration
 8 school to which the district of residence pays tuition;

9 b. All atypical pupils shall be counted in the same manner as
 10 normal pupils;

11 c. The enrollment of pupils in evening schools and part-time day
 12 schools shall be equated to a full-time day school enrollment pur-
 13 suant to rules promulgated by the commissioner with the approval
 14 of the State board;

15 d. Pupils in regional school districts and their respective com-
 16 ponent districts shall be counted according to the rule prescribed
 17 in subsection a. hereof;

18 e. Notwithstanding the foregoing, no district shall count in its
 19 enrollment any pupil regularly attending on a full-time basis a
 20 county vocational school in the same county, regardless of whether
 21 or not tuition is paid for such pupil, but such pupils shall be counted
 22 in the determination of State aid to the county vocational schools.]

23 For the purpose of computing State aid, the commissioner, with
 24 the approval of the State board, taking into consideration the
 25 quality of the educational program **[and the organizational
 26 structure]** of the districts, shall ***[determine]*** ***formu-
 27 late recommended*** criteria and standards to be used in judging

28 *what shall constitute a nonoperating district, a basic district, a*
 29 *limited district, an intermediate district, a precomprehensive*
 29A *district and a comprehensive district. ***[Such criteria*
 30 *and standards shall be formulated annually and shall be **[made*
 31 *available for review by]*** **submitted to** the Permanent Com-*
 32 *mission on State School Support **for its approval on or before*
 32A *June 1 and after approval by the Permanent Commission on State*
 32B *School Support the commissioner shall send copies to** **[and*
 32C *to]*** each school district on or before July 10 of the school year*
 33 *in which the calculation of aid shall be made. Each school district*
 34 *in which one or more schools are operated shall be classified as a*
 35 *basic district and shall qualify for the State aid applicable for such*
 36 *classification. If a school board desires to have the school district*
 37 *under its jurisdiction qualify for State aid as a limited district,*
 38 *or as an intermediate district, or as a precomprehensive district or*
 39 *as a comprehensive district, the secretary of the board.****
 39A ****Such recommended criteria and standards shall be reported to*
 39B *the Permanent Commission on State School Support which shall*
 39C *review the same and submit such criteria and standards as it shall*
 39D *approve to the Legislature for enactment by law. Criteria and*
 39E *standards enacted by law shall be subject to annual review by the*
 39F *commissioner, the State board and the Permanent Commission on*
 39G *State School Support which shall from time to time recommend*
 39H *to the Legislature such changes therein as it shall deem appro-*
 39I *priate. On or before July 31, 1971 and in each year thereafter the*
 39J *secretary of the board of each district, other than a nonoperating*
 40 *district*** with the approval of the superintendent of schools, or*
 41 *if there be no superintendent of schools with the approval of the*
 42 *county superintendent of schools, shall file a report ***[on or*
 43 *before July 31]*** with the commissioner on forms provided by*
 44 *him requesting classification as a ***basic district, or as a****
 45 *limited district, or as an intermediate district, or as a precompre-*
 46 *hensive district or as a comprehensive district. Any school board*
 47 ****in*** requesting classification ***[as a precomprehensive dis-*
 48 *trict or as a comprehensive district]*** ***for the school year*
 49 *1972-73 and thereafter*** shall develop ***and present in its re-*
 50 *port*** an educational plan based upon a complete assessment of*
 51 *the educational needs of the community it serves and a course of*
 52 *action for their fulfillment in addition to meeting ***[such*
 53 *other]*** criteria and standards ***[for a precomprehensive*
 54 *district or a comprehensive district]*** ***prescribed by*
 54A *law***. ***[The report]*** ***All reports***, with sup-
 55 *porting evidence, shall describe the program ***of the*
 56 *district*** which will be in effect during the school year**

57 for which the ***classification and*** calculation of State aid will
 58 be made and ***[it]*** shall contain a written statement of the
 58A board's philosophy and objectives of education as well as the
 58B board's proposed program of evaluation. The commissioner shall
 58C review the ***[report]*** ***reports*** with the supporting
 58D evidence and supervisory recommendations**[, classify]**
 58E **and recommend to the State board the classification
 59 of** the school district as a basic district, or as a limited
 60 district, or as an intermediate district, or as a precompre-
 61 hensive district or as a comprehensive district, and **[he]****
 62 **the State board shall classify said district and** shall so notify
 63 the secretary of the board of education on or before October 1 of the
 64 year of filing. Any request for review of such classification **by the
 65 State board** and for a hearing thereon, if requested, shall be filed
 66 with the commissioner within 10 days after the receipt of the notice
 67 of classification.

1 4. N. J. S. 18A:58-4 is amended to read as follows:

2 18A:58-4. [a. The local fair share of the foundation school
 3 program shall be determined for each school district for each year
 4 as a sum equal to 10½ mills per dollar upon the equalized valua-
 5 tion of the taxing district or districts within the school district, as
 6 certified by the Director of the Division of Taxation for the year
 7 in which the calculation is made.

8 b. With respect to regional school districts and their component
 9 districts, however, the equalized valuations as certified by the
 10 Director of Taxation shall be allocated among the regional district
 11 and its component districts in proportion to the number of pupils
 12 in each of them as determined for the foundation program. That
 13 part of the local fair share of a regional district and of a consoli-
 14 dated school district measured by property valuations shall be
 15 determined at the rate of 8½ mills per dollar of such allocated
 16 valuation during the first 5 years that the regional school or
 17 consolidated school district is in operation and at the rate of 9½
 18 mills per dollar during the second 5 years that the regional school
 19 or consolidated school district is in operation, and thereafter at
 20 the full 10½ mills, with respect to any regional school district or
 21 consolidated school district heretofore or hereafter established.

22 c. In the event that the equalization table certified by the Direc-
 23 tor of the Division of Taxation shall be revised by the Division of
 24 Tax Appeals on or before January 15, the local fair share of any
 25 district affected thereby shall be recomputed accordingly and any
 26 determination or certification of State aid previously made pur-
 27 suant to this article shall be amended to conform therewith.

28 d. With respect to any school district in which there are pupils
 29 whose parents live and work on Federal property and for which
 30 the district has an entitlement under subsection 3 (a) of Title I of
 31 P. L. 874, as amended by Title I of P. L. 89-10, the commissioner
 32 shall adjust the equalized full valuation of the taxing district by
 33 adding thereto the equalized valuation per pupil for each such
 34 3 (a) pupil. The equalized valuation per pupil shall be determined
 35 without such 3 (a) pupils.】

36 *Annually, on or before October 15, the secretary of the board of*
 37 *education, with the approval of the superintendent of schools, or*
 38 *if there be no superintendent of schools with the approval of the*
 39 *county superintendent of schools, shall file with the commissioner*
 40 *a report stating the number of pupils enrolled by grade on the last*
 41 *school day of September and the estimated budget for the ensuing*
 42 *school year. On or before June 15, a similar report stating the*
 43 *number of pupils enrolled by grade on the last school day of May*
 44 *shall be filed. Such reports shall be certified under the penalties*
 45 *of perjury as true to the best of the knowledge and belief of the*
 46 *persons making them.*

1 5. N. J. S. 18A :58-5 is amended to read as follows:

2 18A :58-5. 【Equalization aid shall be paid to each district in the
 3 amount of the excess of the foundation program over the local
 4 fair share; provided that each district shall be paid not less than
 5 \$75.00 per pupil.】

6 *a. Minimum support aid shall be paid annually to each school*
 7 *district.*

8 *b. Incentive equalization aid shall be paid annually in accordance*
 9 *with the following calculations:*

10 (1) *A guaranteed valuation for each school district shall be de-*
 11 *termined and compared with the equalized valuations of the district.*
 12 *If the guaranteed valuations are less than the equalized valuations*
 13 *for the district, no incentive equalization aid shall be paid.*

14 (2) *If the guaranteed valuations are greater than the equalized*
 15 *valuations of the district, incentive equalization aid shall be deter-*
 16 *mined as follows: (a) Divide the amount of the net operating*
 17 *budget by the guaranteed valuations to establish a rate to be appli-*
 18 *cable to local tax requirements and incentive equalization aid.*
 19 *(b) Multiply said rate by the equalized valuations of the district to*
 20 *obtain the local tax requirement. (c) Multiply said rate by the*
 21 *excess of the guaranteed valuations over the equalized valuations*
 22 *to obtain the incentive equalization aid.*

23 *If such incentive equalization aid plus the minimum support*
 24 *shall be greater than the local tax requirement, the commissioner*

25 shall review each item of appropriation within the budget of the
26 district.

1 6. N. J. S. 18A:58-5.2 is amended to read as follows:

2 18A:58-5.2. For each such pupil residing on property owned
3 by the State the amount of such special additional State aid so
4 payable to the district shall be the difference between the cost per
5 pupil for current expenses excluding transportation, and the
6 **equalization or minimum** aid per *resident* pupil**,** whichever is
7 greater**]** to which the district is entitled.

1 7. N. J. S. 18A:58-8 is amended to read as follows:

2 18A:58-8. Each county vocational school board operating a full
3 time day school program shall be paid the higher of either the
4 sum of **[\$100.00]** \$320.00 per pupil or *two times* the average per
5 *resident* pupil **equalization** aid payable to the districts within the
6 county. **For pupils attending a day school program in a county*
7 *vocational school on a part-time basis, the county vocational school*
8 *board shall be paid a proportionate amount of the aid provided in*
9 *this section.** The commissioner, with the approval of the State
10 board, shall promulgate rules for the counting of pupils in resident
11 enrollment on a full time day school basis in the county vocational
12 schools.

1 8. N. J. S. 18A:58-10 is amended to read as follows:

2 18A:58-10. **Whenever as shown by the annual financial report**
3 **filed by any school district the amount for current expenses ex-**
4 **cluding transportation is less than \$400.00 per pupil in resident**
5 **enrollment during the school year for which the State aid is pay-**
6 **able, the foundation program for the year then under calculation**
7 **shall be the per pupil expenditure for current expenses excluding**
8 **transportation as shown by the annual financial report filed with**
9 **the commissioner. For the purposes of this section the amount per**
10 **pupil provided for current expense by a component district of a**
11 **regional high school district shall be deemed to include the com-**
12 **ponent's share of the regional school district's expenditures and**
13 **pupils.]**

14 *Whenever the local current expenses tax appropriation in any*
15 *district is reduced by the board of education, the board of school*
16 *estimate, the governing body of the municipality, or the commis-*
17 *sioner to an amount less than local tax requirement determined by*
18 *the commissioner in the computation of the incentive equalization*
19 *aid, the commissioner shall recalculate the State aid applicable to*
20 *the district.*

1 9. On or before June 30 of each year, the commissioner shall
2 recompute the aid in any district in which the enrollment on the

3 last school day of May exceeds the enrollment on the last school
4 day of September of the current school year. The district shall
5 be entitled to additional aid determined by multiplying the in-
6 creased enrollment by the same aid per resident weighted pupil as
7 previously calculated on the basis of enrollment of the last school
8 day of September. Such additional aid shall be paid in the second
9 succeeding school year following the school year in which the
10 calculation is made.

11 In computing State aid for the second fiscal year following the
12 first payment of aid under this article and each year thereafter,
13 the commissioner shall annually increase or decrease both the school
14 district guaranteed valuation and the minimum support aid for a
15 basic district, a limited district, an intermediate district, **a pre-*
16 *comprehensive district and** a comprehensive district **[and a*
17 *superior district]**. This shall be done by increasing or ***[decreat-*
18 *ing]** **decreasing*** the school district guaranteed valuation by
19 the percent of change in State average valuation per weighted
20 resident pupil in each year of calculation over that of the base
21 year which shall be the fiscal year following the first payment of
22 aid under this article and the minimum support aid by the percent
23 of change in the day school cost per pupil of the year prior to the
24 year of calculation of aid under this article over that of the base
25 year which shall be the fiscal year in which the first payment of aid
26 is made under this article.

1 10. N. J. S. 18A :58-21 is amended to read as follows :

2 18A :58-21. For the purposes of this article, unless the context
3 clearly requires a different meaning :

4 “Resident enrollment” shall mean the number of full time
5 pupils who are residents of the district and are enrolled in day
6 schools on the last day of September during the school year in
7 which calculation of aid is made and are attending the public
8 schools of the district or a school district or State college demon-
9 stration school to which the district of residence pays tuition;
10 provided that no district shall count in its enrollment any pupil
11 regularly attending on a full time basis a county vocational school
12 in the same county.

13 “Weighted pupils” shall mean the number of resident pupils
14 multiplied by the following units :

15	<i>Kindergarten pupils</i>	<i>.75</i>	<i>units</i>
16	<i>Elementary pupils (grade 1 through grade 6)</i>	<i>1.0</i>	<i>units</i>
17	<i>Seventh and eighth grade pupils not in ap-</i>		
18	<i>proved middle schools or junior high</i>		

19	<i>schools approved by the Commissioner of</i>		
20	<i>Education</i>	1.15	<i>units</i>
21	<i>Pupils in approved middle schools and in ap-</i>		
22	<i>proved Junior high schools</i>	1.25	<i>units</i>
23	<i>Five and 6-year high school pupils</i>	1.275	<i>units</i>
24	<i>Senior and 4-year high school pupils</i>	1.3	<i>units</i>
25	<i>Vocational school pupils in vocational schools</i>		
26	<i>or classes (equated to full time)</i>	2.0	<i>units</i>
27	<i>Evening school pupils (equated to full time)</i>	1.0	<i>units</i>
28	<i>Accredited evening high school pupils and</i>		
29	<i>pupils in post graduate high school classes</i>		
30	<i>(equated to full time)</i>	1.3	<i>units</i>

31 “AFDC children” shall mean the children aged 5 to 17, in-
 32 clusive, in families residing in the school district and receiving
 33 aid through payments under a program of aid to families with
 34 dependent children certified to the commissioner by the Department
 35 of Institutions and Agencies. Each such child shall be weighted by
 36 *****[one* additional *.5 units]* *unit***** *****an additional ***[.5**
 37 **unit***]***** *****.75 units***** in counting the number of weighted
 38 children for the school district. With respect to regional school
 39 districts and their component districts, AFDC children shall be
 40 allocated among the regional district and its component districts
 41 in proportion to the number of resident pupils in each of them as
 41A determined from the enrollment on the last school day of
 42 September. *****[**Any school district which has an increase**
 42A **in its September 30 enrollment of more than 3% of the**
 42B **preceding school year’s enrollment as of June 30 may, upon certifi-**
 42C **cation to the commissioner, apply for additional State aid. The**
 42D **commissioner shall upon verification of such certificate weigh each**
 42E **additional child over the June 30 enrollment as an additional .5 unit**
 42F **in counting the number of weighted children for the district.***]*****

43 “Building aid allowance” shall mean a school district’s annual
 44 building aid allowance as computed and determined pursuant to
 45 this article.

46 “Capital foundation program” shall mean the amount annually
 47 determined pursuant to section 18A:58-23.

48 “Capital reserve fund” shall mean a fund by that designa-
 49 tion established by the State Treasurer for each school district
 50 which elects to appropriate moneys into such fund pursuant to
 51 this article. The State Treasurer shall not be required to segregate
 52 the fund for each such school district; provided, however, that
 53 each district’s share shall be shown separately in the records of
 54 the State Treasurer.

1 11. N. J. S. 18A:58-23 is amended to read as follows:

2 18A:58-23. The capital foundation program shall be computed
3 annually for each school district as the sum of the amount ap-
4 propriated by or for the school district in each school budget or
5 in a municipal budget for purposes of (1) debt service, (2) capital
6 outlay and (3) net addition to its capital reserve fund, but not ex-
7 ceeding \$45.00 per *weighted* pupil in resident enrollment.

1 12. N. J. S. 18A:58-24 is amended to read as follows:

2 18A:58-24. a. There shall be deducted from the amount of the
3 capital foundation program of each district a local share equal to
4 \$0.075 per \$100.00 ($\frac{3}{4}$ mill per \$1.00) upon the equalized full
5 valuation of the taxing district or districts within the school dis-
6-8 trict, as certified by the Director of the State Division of Taxation
9 to the commissioner, pursuant to law, for the year in which the
10 calculation is required to be made. The remainder shall constitute
11 the district's building aid allowance.

12 b. With respect to regional school districts and their com-
13 ponent districts, however, the equalized valuations as certified
14 by the Director of Taxation as described above shall be allocated
15 among the regional district and its component districts in propor-
16 tion to the number of pupils in each of them as determined for the
17 foundation program.

18 **[c. With respect to any school district in which there are pupils**
19 **whose parents live and work on Federal property and for which**
20 **the district has an entitlement under subsection 3 (a) of Title I**
21 **of P. L. 874, as amended by Title I of P. L. 89-10, the commissioner**
22 **shall adjust the equalized full valuation of the taxing district by**
23 **adding thereto the equalized valuation per pupil for each such**
24 **3 (a) pupil. The equalized valuation per pupil shall be determined**
25 **without such 3 (a) pupils.]**

1 13. N. J. S. 18A:48-1 is amended to read as follows:

2 18A:48-1. The board of education of any school district may
3 establish and maintain public evening schools for the instruction
4 of persons over 12 years of age who are residents of the district.
5 Unless such evening schools are maintained for at least
6 64 evening sessions of at least 2 hours each in each year and at
7 least 3 evening sessions each week, **[the foundation program for**
8 **such district determined for the purpose of calculating]** the
9 amount of State school aid payable to such district for the ensuing
10 year shall be determined without including therein any sum for
11 evening school pupils of the district.

1 14. N. J. S. 18A:58-6.1 and 18A:58-12, and section 1 of P. L.
2 1968, chapter 301 (C. 18A:58-6.2) are hereby repealed.

1 15. There is hereby appropriated for the purposes of this
 2 chapter such sums as may be included in any annual or supple-
 3 mental appropriation act. In the event that the sums appropriated
 4 in any fiscal year are insufficient to carry out in full the provisions
 5 of *articles 1 and 2 of* chapter 58 of Title 18A of the New Jersey
 6 Statutes as amended and supplemented by this act *with respect*
 7 *to minimum support aid, incentive equalization aid and county*
 8 *vocational school aid*, the commissioner, with the approval of the
 9 State board, shall apportion ***[the]*** *said* sums ***[appropriated]***
 10 among the school districts in proportion to the State aid each
 11 district would be allocated if the full amount were appropriated;
 12 provided, however, that no school district shall be apportioned *for*
 13 *minimum support aid, incentive equalization aid and county voca-*
 14 *tional school aid* an amount less than the per pupil aid, excluding
 15 transportation aid and atypical aid, it received for the State fiscal
 16 year 1970-71***; *provided, further, that for the 1971-72 fiscal year,*
 17 *aid shall be calculated for each school district on the basis of the*
 18 *amount of aid which would have been received during the 1971-72*
 19 *school year based on the formula in effect on January 1, 1970, plus*
 20 *20% of the difference between that aid and the amount required*
 21 *to carry out in full the provisions of articles 1 and 2 of chapter 58*
 22 *of Title 18A of the New Jersey Statutes as amended and supple-*
 23 *mented by this act.****

1 **16. Notwithstanding the classification of school districts defined*
 2 *in N. J. S. 18A:58-2, for the school year 1971-72 all districts other*
 3 *than nonoperating districts shall be designated as basic districts*
 4 *for the purpose of calculating minimum support aid and incentive*
 5 *equalization aid.**

1 ***[16.]*** **17.** This act shall take effect July 1, 1971.

SENATE, No. 575

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 16, 1970

By Senators BATEMAN, TANZMAN and MILLER

Referred to Committee on Education

AN ACT concerning State aid to education, supplementing article 1 of chapter 58 of Title 18A of the New Jersey Statutes, amending sections 18A:58-1, 18A:58-2, 18A:58-3, 18A:58-4, 18A:58-5, 18A:58-5.2, 18A:58-8, 18A:58-10, 18A:58-21, 18A:58-23, 18A:58-24 and 18A:48-1 of the New Jersey Statutes, and repealing sections 18A:58-6.1 and 18A:58-12 of the New Jersey Statutes, and section 1 of P. L. 1968, chapter 301 (C. 18A:58-6.2).

1 BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:

1 1. N. J. S. 18A:58-1 is amended to read as follows:

2 18A:58-1. This article shall be known as the "State School
3 Incentive Equalization Aid Law" [(1954)].

1 2. N. J. S. 18A:58-2 is amended to read as follows:

2 18A:58-2. For the purposes of this article, unless the context
3 clearly requires a different meaning:

4 "Resident enrollment" shall mean the number of full-time
5 pupils who are residents of the district and are enrolled in day
6 schools on the last school day of September or on the last school
7 day of May during the school year in which calculation of aid is
8 made and are attending the public schools of the district or a school
9 district or State college demonstration school to which the district
10 of residence pays tuition; provided, that no district shall count in
11 its enrollment any pupil regularly attending on a full-time basis
12 a county vocational school in the same county.

13 "Weighted pupils" shall mean the number of resident pupils
14 multiplied by the following units:

15	Kindergarten pupils75	units
16	Elementary pupils (grade 1 through grade 6)		1.0	units

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

17	<i>Seventh and eighth-grade pupils not in ap-</i>		
18	<i>proved middle schools or junior high</i>		
19	<i>schools approved by the Commissioner of</i>		
20	<i>Education</i>	1.15	units
21	<i>Pupils in approved middle schools and in ap-</i>		
22	<i>proved junior high schools</i>	1.25	units
23	<i>Five and 6-year high school pupils</i>	1.275	units
24	<i>Senior and 4-year high school pupils</i>	1.3	units
25	<i>Vocational school pupils in vocational schools</i>		
26	<i>or classes (equated to full-time)</i>	2.0	units
27	<i>Evening school pupils (equated to full-time)</i>	1.0	units
28	<i>Accredited evening high school pupils and</i>		
29	<i>pupils in post-graduate high school classes</i>		
30	<i>(equated to full-time)</i>	1.3	units

31 *“AFDC children” shall mean the children aged 5 to 17 inclusive,*
32 *in families residing in the school district and receiving aid through*
33 *payments under a program of aid to families with dependent*
34 *children certified to the commissioner by the Department of Institu-*
35 *tions and Agencies. Each such child shall be weighted by an addi-*
36 *tional .5 units in counting the number of weighted children for the*
37 *school district. With respect to regional school districts and their*
38 *component districts, AFDC children shall be allocated among the*
39 *regional district and its component districts in proportion to the*
40 *number of resident pupils in each of them as determined from*
41 *the enrollment on the last school day of September.*

42 *“Classification of school districts” shall mean the classification*
43 *of school districts established by the commissioner, with the ap-*
44 *proval of the State board, in one of the following categories:*

45 *a. Nonoperating district, being one which operates no schools of*
46 *its own;*

47 *b. Basic district, being one in which one or more schools are*
48 *operated and which the commissioner determines meets all basic*
49 *requirements of school law;*

50 *c. Limited district, being a basic district which meets such other*
51 *criteria as shall be required by the commissioner with the approval*
52 *of the State board;*

53 *d. Intermediate district, being a district which meets all require-*
54 *ments of a limited district and which meets such other additional*
55 *criteria as shall be required by the commissioner with the approval*
56 *of the State board;*

57 *e. Precomprehensive district, being a district which meets all*
58 *requirements of an intermediate district and which meets such*

59 *other additional criteria as shall be required by the commissioner*
 60 *with the approval of the State board; or*

61 *f. Comprehensive district, being a district which meets all re-*
 62 *quirements of a precomprehensive district and which operates*
 63 *educational programs characterized by their diversity and high*
 64 *quality as required for such classification by the commissioner with*
 65 *the approval of the State board.*

66 *“Equalized valuations” shall mean the equalized valuation of*
 67 *the taxing district or taxing districts as certified by the director*
 68 *of the Division of Taxation on October 1 for the year in which the*
 69 *calculation of aid is made. In the event that the equalized table*
 70 *certified by the Director of the Division of Taxation shall be re-*
 71 *vised by the Division of Tax Appeals on or before January 15 of*
 72 *the next succeeding year, such revised valuations shall be used in any*
 73 *recomputation of aid.*

74 *“State average valuation per weighted resident pupil” shall*
 75 *mean the quotient resulting from dividing the total equalized*
 76 *valuations in the State of New Jersey as certified by the Director*
 77 *of the Division of Taxation on October 1 by the total number of*
 78 *weighted pupils of the State enrolled on the last school day of*
 79 *September.*

80 *“Minimum support aid” shall mean the product of the number*
 81 *of resident weighted pupils of the school district and one of the*
 82 *following rates:*

83 *Not less than \$100.00 in a nonoperating district,*

84 *Not less than \$110.00 in a basic district,*

85 *Not less than \$122.50 in a limited district,*

86 *Not less than \$135.00 in an intermediate district,*

87 *Not less than \$147.50 in a precomprehensive district, or*

88 *Not less than \$160.00 in a comprehensive district.*

89 *“School district guaranteed valuation” shall mean the product*
 90 *of the number of resident weighted pupils of the school district*
 91 *and one of the following rates:*

92 *Not less than \$30,000.00 in a basic district,*

93 *Not less than \$33,750.00 in a limited district,*

94 *Not less than \$37,500.00 in a intermediate district,*

95 *Not less than \$41,250.00 in a precomprehensive district, or*

96 *Not less than \$45,000.00 in a comprehensive district.*

97 *“Current expense budget cost” shall mean the total appro-*
 98 *priation for current expenses including the salaries of the sec-*
 99 *retary of the board of education, the custodian of school moneys,*
 100 *principals, teachers, janitors, medical inspectors and truant officers;*

101 *fuel, textbooks, school supplies, flags, transportation of pupils,*
 102 *tuition of pupils attending schools in other districts with the con-*
 103 *sent of the board, school libraries, truant schools, insurance, re-*
 104 *pairs and renewals to buildings, furniture, equipment or apparatus,*
 105 *and other incidental expenses of the schools.*

106 “*Net operating budget*” shall mean the balance after deduct-
 107 *ing all estimated revenue from the current expense budget, ex-*
 108 *cept the amount to be raised by local taxation and incentive*
 109 *equalization aid apportioned.*

110 “*Approved special class*” shall mean a class for physically
 111 *handicapped or mentally retarded children, and all other classes*
 112 *for atypical pupils approved by the commissioner.*

113 “*Atypical pupils*” shall mean pupils who are physically handi-
 114 *capped or mentally retarded and who are not accommodated*
 115 *through the school facilities usually provided for normal pupils.*

116-118 “*Evening school pupils*” shall mean pupils enrolled in evening
 119 *schools, except in classes for foreign-born residents, or in voca-*
 120 *tional schools, or in accredited evening high schools, or in schools*
 121 *known as adult schools.*

122 “*Accredited evening high school pupils*” shall mean pupils
 123 *enrolled in an approved evening high school.*

124 “*Vocational school pupils*” shall mean pupils enrolled in courses
 125 *of study for vocational education approved by the State board. No*
 126 *district shall count in its enrollment any pupil regularly attending*
 127 *on a full-time basis a county vocational school in the same county*
 128 *regardless of whether or not tuition is paid for such pupil, but such*
 129 *pupil shall be weighted and counted in the determination of State*
 130 *aid in the county vocational school operating a full-time program.*

131 “*Aid per resident weighted pupil*” shall mean the quotient
 132 *resulting from dividing the sum of the minimum support aid and*
 133 *the incentive equalization aid allocated to the school district by the*
 134 *number of weighted pupils on the last school day of September.*

135 “*Day school cost per pupil*” shall mean the mean annual current
 136 *operating cost of educating pupils, as determined by the com-*
 137 *missioner with the approval of the board.*

138 “*Aid per resident pupil*” shall mean the quotient resulting
 139 *from dividing the sum of the minimum support aid and the in-*
 140 *centive equalization aid allocated to the district by the number*
 141 *of resident pupils enrolled on the last school day of September.*

142 “*State aid*” shall mean the sum of [equalization aid,] mini-
 143 *imum support aid, incentive equalization aid, transportation re-*
 144 *imbursement, [and supplementary aid for special classes and]*

145 atypical *pupil reimbursement* [pupils], county aid and county
 146 vocational school aid, as determined pursuant to this article.

1 3. N. J. S. 18A :58-3 is amended to read as follows:

2 18A :58-3. [The foundation program for each school district
 3 in each school year shall be \$400.00 per pupil in resident enrollment.

4 For this purpose:

5 a. Pupils shall be counted as in enrollment who are residents
 6 of the district and are regularly attending the public schools of
 7 the district or of a school district or State college demonstration
 8 school to which the district of residence pays tuition;

9 b. All atypical pupils shall be counted in the same manner as
 10 normal pupils;

11 c. The enrollment of pupils in evening schools and part-time day
 12 schools shall be equated to a full-time day school enrollment pur-
 13 suant to rules promulgated by the commissioner with the approval
 14 of the State board;

15 d. Pupils in regional school districts and their respective com-
 16 ponent districts shall be counted according to the rule prescribed
 17 in subsection a. hereof;

18 e. Notwithstanding the foregoing, no district shall count in its
 19 enrollment any pupil regularly attending on a full-time basis a
 20 county vocational school in the same county, regardless of whether
 21 or not tuition is paid for such pupil, but such pupils shall be counted
 22 in the determination of State aid to the county vocational schools.]

23 *For the purpose of computing State aid, the commissioner, with*
 24 *the approval of the State board, taking into consideration the*
 25 *quality of the educational program and the organizational structure*
 26 *of the districts, shall determine criteria and standards to be used*
 27 *in judging what shall constitute a nonoperating district, a basic*
 28 *district, a limited district, an intermediate district, a precompre-*
 29 *hensive district and a comprehensive district. Such criteria and*
 30 *standards shall be formulated annually and shall be made available*
 31 *for review by the Permanent Commission on State School Support*
 32 *and to each school district on or before July 10 of the school year*
 33 *in which the calculation of aid shall be made. Each school district*
 34 *in which one or more schools are operated shall be classified as a*
 35 *basic district and shall qualify for the State aid applicable for such*
 36 *classification. If a school board desires to have the school district*
 37 *under its jurisdiction qualify for State aid as a limited district,*
 38 *or as an intermediate district, or as a precomprehensive district or*
 39 *as a comprehensive district, the secretary of the board, with the*
 40 *approval of the superintendent of schools, or if there be no super-*

41 *intendent of schools with the approval of the county superintendent*
 42 *of schools, shall file a report on or before July 31 with the com-*
 43 *missioner on forms provided by him requesting classification as a*
 44 *limited district, or as an intermediate district, or as a precompre-*
 45 *hensive district or as a comprehensive district. Any school board*
 46 *requesting classification as a precomprehensive district or as a*
 47 *comprehensive district shall develop an educational plan based*
 48 *upon a complete assessment of the educational needs of the com-*
 49 *munity it serves and a course of action for their fulfillment in*
 50 *addition to meeting such other criteria and standards for a pre-*
 51 *comprehensive district or a comprehensive district. The report,*
 52 *with supporting evidence, shall describe the program which will*
 53 *be in effect during the school year for which the calculation of State*
 54 *aid will be made and it shall contain a written statement of the*
 55 *board's philosophy and objectives of education as well as the*
 56 *board's proposed program of evaluation. The commissioner shall*
 57 *review the report with the supporting evidence and supervisory*
 58 *recommendations, classify the school district as a basic district, or*
 59 *as a limited district, or as an intermediate district, or as a pre-*
 60 *comprehensive district or as a comprehensive district, and he shall*
 61 *so notify the secretary of the board of education on or before*
 62 *October 1 of the year of filing. Any request for review of such*
 63 *classification and for a hearing thereon, if requested, shall be filed*
 64 *with the commissioner within 10 days after the receipt of the notice*
 65 *of classification.*

1 4. N. J. S. 18A :58-4 is amended to read as follows:

2 18A :58-4. [a. The local fair share of the foundation school
 3 program shall be determined for each school district for each year
 4 as a sum equal to 10½ mills per dollar upon the equalized valua-
 5 tion of the taxing district or districts within the school district, as
 6 certified by the Director of the Division of Taxation for the year
 7 in which the calculation is made.

8 b. With respect to regional school districts and their component
 9 districts, however, the equalized valuations as certified by the
 10 Director of Taxation shall be allocated among the regional district
 11 and its component districts in proportion to the number of pupils
 12 in each of them as determined for the foundation program. That
 13 part of the local fair share of a regional district and of a consoli-
 14 dated school district measured by property valuations shall be
 15 determined at the rate of 8½ mills per dollar of such allocated
 16 valuation during the first 5 years that the regional school or
 17 consolidated school district is in operation and at the rate of 9½

18 mills per dollar during the second 5 years that the regional school
 19 or consolidated school district is in operation, and thereafter at
 20 the full 10½ mills, with respect to any regional school district or
 21 consolidated school district heretofore or hereafter established.

22 c. In the event that the equalization table certified by the Direc-
 23 tor of the Division of Taxation shall be revised by the Division of
 24 Tax Appeals on or before January 15, the local fair share of any
 25 district affected thereby shall be recomputed accordingly and any
 26 determination or certification of State aid previously made pur-
 27 suant to this article shall be amended to conform therewith.

28 d. With respect to any school district in which there are pupils
 29 whose parents live and work on Federal property and for which
 30 the district has an entitlement under subsection 3 (a) of Title I of
 31 P. L. 874, as amended by Title I of P. L. 89-10, the commissioner
 32 shall adjust the equalized full valuation of the taxing district by
 33 adding thereto the equalized valuation per pupil for each such
 34 3 (a) pupil. The equalized valuation per pupil shall be determined
 35 without such 3 (a) pupils.】

36 *Annually, on or before October 15, the secretary of the board of*
 37 *education, with the approval of the superintendent of schools, or*
 38 *if there be no superintendent of schools with the approval of the*
 39 *county superintendent of schools, shall file with the commissioner*
 40 *a report stating the number of pupils enrolled by grade on the last*
 41 *school day of September and the estimated budget for the ensuing*
 42 *school year. On or before June 15, a similar report stating the*
 43 *number of pupils enrolled by grade on the last school day of May*
 44 *shall be filed. Such reports shall be certified under the penalties*
 45 *of perjury as true to the best of the knowledge and belief of the*
 46 *persons making them.*

1 5. N. J. S. 18A :58-5 is amended to read as follows:

2 18A :58-5. 【Equalization aid shall be paid to each district in the
 3 amount of the excess of the foundation program over the local
 4 fair share; provided that each district shall be paid not less than
 5 \$75.00 per pupil.】

6 a. *Minimum support aid shall be paid annually to each school*
 7 *district.*

8 b. *Incentive equalization aid shall be paid annually in accordance*
 9 *with the following calculations:*

10 (1) *A guaranteed valuation for each school district shall be de-*
 11 *termined and compared with the equalized valuations of the district.*
 12 *If the guaranteed valuations are less than the equalized valuations*
 13 *for the district, no incentive equalization aid shall be paid.*

14 (2) *If the guaranteed valuations are greater than the equalized*
 15 *valuations of the district, incentive equalization aid shall be deter-*
 16 *mined as follows: (a) Divide the amount of the net operating*
 17 *budget by the guaranteed valuations to establish a rate to be appli-*
 18 *cable to local tax requirements and incentive equalization aid.*
 19 *(b) Multiply said rate by the equalized valuations of the district to*
 20 *obtain the local tax requirement. (c) Multiply said rate by the*
 21 *excess of the guaranteed valuations over the equalized valuations*
 22 *to obtain the incentive equalization aid.*

23 *If such incentive equalization aid plus the minimum support*
 24 *shall be greater than the local tax requirement, the commissioner*
 25 *shall review each item of appropriation within the budget of the*
 26 *district.*

1 6. N. J. S. 18A :58-5.2 is amended to read as follows:

2 18A:58-5.2. For each such pupil residing on property owned
 3 by the State the amount of such special additional State aid so
 4 payable to the district shall be the difference between the cost per
 5 pupil for current expenses excluding transportation, and the
 6 **equalization or minimum** aid per *resident* pupil**,** whichever is
 7 greater**]** to which the district is entitled.

1 7. N. J. S. 18A :58-8 is amended to read as follows:

2 18A:58-8. Each county vocational school board operating a full
 3 time day school program shall be paid the higher of either the
 4 sum of **[\$100.00]** \$320.00 per pupil or *two times* the average per
 5 *resident* pupil **equalization** aid payable to the districts within the
 6 county. The commissioner, with the approval of the State board,
 7 shall promulgate rules for the counting of pupils in resident en-
 8 rollment on a full time day school basis in the county vocational
 9 schools.

1 8. N. J. S. 18A :58-10 is amended to read as follows:

2 18A:58-10. **Whenever** as shown by the annual financial report
 3 filed by any school district the amount for current expenses ex-
 4 cluding transportation is less than \$400.00 per pupil in resident
 5 enrollment during the school year for which the State aid is pay-
 6 able, the foundation program for the year then under calculation
 7 shall be the per pupil expenditure for current expenses excluding
 8 transportation as shown by the annual financial report filed with
 9 the commissioner. For the purposes of this section the amount per
 10 pupil provided for current expense by a component district of a
 11 regional high school district shall be deemed to include the com-
 12 ponent's share of the regional school district's expenditures and
 13 pupils.**]**

14 *Whenever the local current expenses tax appropriation in any*
 15 *district is reduced by the board of education, the board of school*
 16 *estimate, the governing body of the municipality, or the commis-*
 17 *sioner to an amount less than local tax requirement determined by*
 18 *the commissioner in the computation of the incentive equalization*
 19 *aid, the commissioner shall recalculate the State aid applicable to*
 20 *the district.*

1 9. On or before June 30 of each year, the commissioner shall
 2 recompute the aid in any district in which the enrollment on the
 3 last school day of May exceeds the enrollment on the last school
 4 day of September of the current school year. The district shall
 5 be entitled to additional aid determined by multiplying the in-
 6 creased enrollment by the same aid per resident weighted pupil as
 7 previously calculated on the basis of enrollment of the last school
 8 day of September. Such additional aid shall be paid in the second
 9 succeeding school year following the school year in which the
 10 calculation is made.

11 In computing State aid for the second fiscal year following the
 12 first payment of aid under this article and each year thereafter,
 13 the commissioner shall annually increase or decrease both the school
 14 district guaranteed valuation and the minimum support aid for a
 15 basic district, a limited district, an intermediate district, a com-
 16 prehensive district and a superior district. This shall be done by
 17 increasing or decreasing the school district guaranteed valuation
 18 by the percent of change in State average valuation per weighted
 19 resident pupil in each year of calculation over that of the base year
 20 which shall be the fiscal year following the first payment of aid
 21 under this article and the minimum support aid by the percent of
 22 change in the day school cost per pupil of the year prior to the
 23 year of calculation of aid under this article over that of the base
 24 year which shall be the fiscal year in which the first payment of aid
 25 is made under this article.

1 10. N. J. S. 18A:58-21 is amended to read as follows:

2 18A:58-21. For the purposes of this article, unless the context
 3 clearly requires a different meaning:

4 "Resident enrollment" shall mean the number of full time
 5 pupils who are residents of the district and are enrolled in day
 6 schools on the last day of September during the school year in
 7 which calculation of aid is made and are attending the public
 8 schools of the district or a school district or State college demon-
 9 stration school to which the district of residence pays tuition;
 10 provided that no district shall count in its enrollment any pupil

11 regularly attending on a full time basis a county vocational school
 12 in the same county.

13 “*Weighted pupils*” shall mean the number of resident pupils
 14 multiplied by the following units:

15	<i>Kindergarten pupils</i>75	<i>units</i>
16	<i>Elementary pupils (grade 1 through grade 6)</i>	1.0	<i>units</i>
17	<i>Seventh and eighth grade pupils not in ap-</i>		
18	<i>proved middle schools or junior high</i>		
19	<i>schools approved by the Commissioner of</i>		
20	<i>Education</i>	1.15	<i>units</i>
21	<i>Pupils in approved middle schools and in ap-</i>		
22	<i>proved Junior high schools</i>	1.25	<i>units</i>
23	<i>Five and 6-year high school pupils</i>	1.275	<i>units</i>
24	<i>Senior and 4-year high school pupils</i>	1.3	<i>units</i>
25	<i>Vocational school pupils in vocational schools</i>		
26	<i>or classes (equated to full time)</i>	2.0	<i>units</i>
27	<i>Evening school pupils (equated to full time)</i>	1.0	<i>units</i>
28	<i>Accredited evening high school pupils and</i>		
29	<i>pupils in post graduate high school classes</i>		
30	<i>(equated to full time)</i>	1.3	<i>units</i>

31 “*AFDC children*” shall mean the children aged 5 to 17, in-
 32 clusive, in families residing in the school district and receiving
 33 aid through payments under a program of aid to families with
 34 dependent children certified to the commissioner by the Depart-
 35 ment of Institutions and Agencies. Each such child shall be
 36 weighted by additional .5 units in counting the number of weighted
 37 children for the school district. With respect to regional school
 38 districts and their component districts, AFDC children shall be
 39 allocated among the regional district and its component districts
 40 in proportion to the number of resident pupils in each of them as
 41 determined from the enrollment on the last school day of
 42 September.

43 “*Building aid allowance*” shall mean a school district’s annual
 44 building aid allowance as computed and determined pursuant to
 45 this article.

46 “*Capital foundation program*” shall mean the amount annually
 47 determined pursuant to section 18A:58-23.

48 “*Capital reserve fund*” shall mean a fund by that designa-
 49 tion established by the State Treasurer for each school district
 50 which elects to appropriate moneys into such fund pursuant to
 51 this article. The State Treasurer shall not be required to segregate
 52 the fund for each such school district; provided, however, that

53 each district's share shall be shown separately in the records of
54 the State Treasurer.

1 11. N. J. S. 18A:58-23 is amended to read as follows:

2 18A:58-23. The capital foundation program shall be computed
3 annually for each school district as the sum of the amount ap-
4 propriated by or for the school district in each school budget or
5 in a municipal budget for purposes of (1) debt service, (2) capital
6 outlay and (3) net addition to its capital reserve fund, but not ex-
7 ceeding \$45.00 per *weighted* pupil in resident enrollment.

1 12. N. J. S. 18A:58-24 is amended to read as follows:

2 18A:58-24. a. There shall be deducted from the amount of the
3 capital foundation program of each district a local share equal to
4 \$0.075 per \$100.00 ($\frac{3}{4}$ mill per \$1.00) upon the equalized full
5 valuation of the taxing district or districts within the school dis-
6-8 trict, as certified by the Director of the State Division of Taxation
9 to the commissioner, pursuant to law, for the year in which the
10 calculation is required to be made. The remainder shall constitute
11 the district's building aid allowance.

12 b. With respect to regional school districts and their com-
13 ponent districts, however, the equalized valuations as certified
14 by the Director of Taxation as described above shall be allocated
15 among the regional district and its component districts in propor-
16 tion to the number of pupils in each of them as determined for the
17 foundation program.

18 **[c.** With respect to any school district in which there are pupils
19 whose parents live and work on Federal property and for which
20 the district has an entitlement under subsection 3 (a) of Title I
21 of P. L. 874, as amended by Title I of P. L. 89-10, the commissioner
22 shall adjust the equalized full valuation of the taxing district by
23 adding thereto the equalized valuation per pupil for each such
24 3 (a) pupil. The equalized valuation per pupil shall be determined
25 without such 3 (a) pupils.]

1 13. N. J. S. 18A:48-1 is amended to read as follows:

2 18A:48-1. The board of education of any school district may
3 establish and maintain public evening schools for the instruction
4 of persons over 12 years of age who are residents of the district.
5 Unless such evening schools are maintained for at least
6 64 evening sessions of at least 2 hours each in each year and at
7 least 3 evening sessions each week, **[the foundation program for**
8 **such district determined for the purpose of calculating]** the
9 amount of State school aid payable to such district for the ensuing

10 year shall be determined without including therein any sum for
11 evening school pupils of the district.

1 14. N. J. S. 18A:58-6.1 and 18A:58-12, and section 1 of P. L.
2 1968, chapter 301 (C. 18A:58-6.2) are hereby repealed.

1 15. There is hereby appropriated for the purposes of this
2 chapter such sums as may be included in any annual or supple-
3 mental appropriation act. In the event that the sums appropriated
4 in any fiscal year are insufficient to carry out in full the provisions
5 of chapter 58 of Title 18A of the New Jersey Statutes as amended
6 and supplemented by this act, the commissioner, with the approval
7 of the State board, shall apportion the sums appropriated among
8 the school districts in proportion to the State aid each district would
9 be allocated if the full amount were appropriated; provided,
10 however, that no school district shall be apportioned an amount
11 less than the per pupil aid, excluding transportation aid and atypi-
12 cal aid, it received for the State fiscal year 1970-71.

1 16. This act shall take effect July 1, 1971.

STATEMENT

This bill would revise the State School Aid Law (1954) and the "School Building Aid Law." It is intended to implement the recommendations of the State Aid to School Districts Study Commission contained in its final report, "A Commitment to New Jersey's Children: A State School Support Program for New Jersey," submitted to the Governor and the Legislature on December 19, 1968.

The State Aid School Districts Study Commission estimated that the immediate full implementation of its recommendations would require an additional \$185 million in State appropriations if applicable to the 1971-72 fiscal year. The commission recommended that the Legislature consider alternative time periods for fully implementing its recommendations, in order to provide an orderly transition from the present state aid program to the proposed program. This bill specifies no precise transitional period; it provides that such funds as are made available during the transitional period shall be prorated, but in no event would any school district receive less aid than it received in 1970-71.