

LEGISLATIVE HISTORY CHECKLIST

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LAWS of 1999

CHAPTER: 110

NJSA: 18A:7F-3

(Special needs district - inclusion under QEA)

BILL NO: S806 (substituted for A1494 - 1st Reprint)

SPONSOR(S): Palaia and Lynch

DATE INTRODUCED: March 2, 1998

COMMITTEE:

ASSEMBLY: -----

SENATE: Education; Budget & Appropriations

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE:

ASSEMBLY: March 29, 1999

SENATE: December 17, 1998

DATE OF APPROVAL: May 17, 1999

THE FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: 1st Reprint

(Amendments during passage denoted by superscript numbers)

S806

SPONSORS STATEMENT: *Yes*

(Begins on page 8 of original bill)

COMMITTEE STATEMENT:

ASSEMBLY: No

SENATE: Yes

September 24, 1998 Education

November 23, 1998 Budget & Appropriations

FLOOR AMENDMENT STATEMENTS: *No*

LEGISLATIVE FISCAL ESTIMATE: *Yes*

A1494

SPONSORS STATEMENT: *Yes*
(Begins on page 8 of original bill)

COMMITTEE STATEMENT:
ASSEMBLY: *Yes*
June 4, 1998

Identical to Senate Education Committee statement to S806
October 5, 1998
SENATE: *No*

FLOOR AMENDMENT STATEMENTS: *No*

LEGISLATIVE FISCAL ESTIMATE: *Yes*

GOVERNOR'S ACTIONS

VETO MESSAGE: *No*

GOVERNOR'S PRESS RELEASE ON SIGNING: *No*

THE FOLLOWING WERE PRINTED:

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REPORTS: *No*

HEARINGS: *No*

NEWSPAPER ARTICLES: *Yes*

"Plainfield secures school aid," Courier News, 5-17-99, p.A4.

P.L. 1999, CHAPTER 110, *approved May 17, 1999*
Senate, No. 806 (*First Reprint*)

1 AN ACT concerning public school funding and amending ¹and
2 supplementing ¹ P.L.1996, c.138.

3

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

6

7 1. Section 3 of P.L. 1996, c.138 (C.18A:7F-3) is amended to read
8 as follows:

9 3. As used in this act, unless the context clearly requires a different
10 meaning:

11 "Abbott district" means one of the 28 urban districts in district
12 factor groups A and B specifically identified in the appendix to
13 Raymond Abbott, et al. v. Fred G. Burke, et al. decided by the New
14 Jersey Supreme Court on June 5, 1990 (119 N.J.287, 394) or any
15 other district classified as a special needs district under the "Quality
16 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.);

17 "Bilingual education pupil" means a pupil enrolled in a program of
18 bilingual education or in an English as a second language program
19 approved by the State Board of Education;

20 "Budgeted local share" means the sum of designated general fund
21 balance, miscellaneous revenues estimated consistent with GAAP, and
22 that portion of the district's local tax levy contained in the T&E budget
23 certified for taxation purposes;

24 "Capital outlay" means capital outlay as defined in GAAP;

25 "Commissioner" means the Commissioner of Education;

26 "Concentration of low-income pupils" shall be based on prebudget
27 year pupil data and means, for a school district or a county vocational
28 school district, the number of low-income pupils among those counted
29 in modified district enrollment, divided by modified district enrollment.
30 For a school, it means the number of low-income pupils recorded in
31 the registers at that school, divided by the total number of pupils
32 recorded in the school's registers;

33 "CPI" means the average annual increase, expressed as a decimal,
34 in the consumer price index for the New York City and Philadelphia
35 areas during the fiscal year preceding the prebudget year as reported
36 by the United States Department of Labor;

37 "County special services school district" means any entity
38 established pursuant to article 8 of chapter 46 of Title 18A of the

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SBA committee amendments adopted November 23, 1998.

1 New Jersey Statutes;

2 "County vocational school district" means any entity established
3 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
4 Statutes;

5 "County vocational school, special education services pupil" means
6 a pupil who is attending a county vocational school and who is
7 receiving specific services pursuant to chapter 46 of Title 18A of the
8 New Jersey Statutes;

9 "Debt service" means and includes payments of principal and
10 interest upon school bonds and other obligations issued to finance the
11 purchase or construction of school facilities, additions to school
12 facilities, or the reconstruction, remodeling, alteration, modernization,
13 renovation or repair of school facilities, including furnishings,
14 equipment, architect fees and the costs of issuance of such obligations
15 and shall include payments of principal and interest upon bonds
16 heretofore issued to fund or refund such obligations, and upon
17 municipal bonds and other obligations which the commissioner
18 approves as having been issued for such purposes. Debt service
19 pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.),
20 P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177
21 (C.18A:58-33.2 et seq.) is excluded;

22 "District factor group A district" means a school district, other than
23 an Abbott district or a school district in which the equalized valuation
24 per pupil is more than twice the average Statewide equalized valuation
25 per pupil and in which resident enrollment exceeds 2,000 pupils, which
26 based on the 1990 federal census data is included within the
27 Department of Education's district factor group A;

28 "District income" for the 1997-98 school year means the aggregate
29 income of the residents of the taxing district or taxing districts, based
30 upon data provided by the Bureau of the Census in the United States
31 Department of Commerce for 1989. Beginning with the 1998-99
32 school year and thereafter, district income means the aggregate
33 income of the residents of the taxing district or taxing districts, based
34 upon data provided by the Division of Taxation in the New Jersey
35 Department of the Treasury and contained on the New Jersey State
36 Income Tax forms for the calendar year ending prior to the prebudget
37 year. The commissioner may supplement data contained on the State
38 Income Tax forms with data available from other State or federal
39 agencies in order to better correlate the data to that collected on the
40 federal census. With respect to regional districts and their constituent
41 districts, however, the district income as described above shall be
42 allocated among the regional and constituent districts in proportion to
43 the number of pupils resident in each of them;

44 "Estimated minimum equalized tax rate" for a school district means
45 the district's required local share divided by its equalized valuation; for
46 the State it means the sum of the required local shares of all school

1 districts in the State, excluding county vocational and county special
2 services school districts as defined pursuant to this section, divided by
3 the sum of the equalized valuations for all the school districts in the
4 State except those for which there is no required local share;

5 "Equalized valuation" means the equalized valuation of the taxing
6 district or taxing districts, as certified by the Director of the Division
7 of Taxation on October 1, or subsequently revised by the tax court by
8 January 15, of the prebudget year. With respect to regional districts
9 and their constituent districts, however, the equalized valuations as
10 described above shall be allocated among the regional and constituent
11 districts in proportion to the number of pupils resident in each of them.
12 In the event that the equalized table certified by the director shall be
13 revised by the tax court after January 15 of the prebudget year, the
14 revised valuations shall be used in the recomputation of aid for an
15 individual school district filing an appeal, but shall have no effect upon
16 the calculation of the property value multiplier, Statewide equalized
17 valuation per pupil, estimated minimum equalized tax rate for the
18 State, or Statewide average equalized school tax rate;

19 "GAAP" means the generally accepted accounting principles
20 established by the Governmental Accounting Standards Board as
21 prescribed by the State board pursuant to N.J.S.18A:4-14;

22 "Household income" means income as defined in 7CFR 245.2 and
23 245.6 or any subsequent superseding federal law or regulation;

24 "Lease purchase payment" means and includes payments of
25 principal and interest for lease purchase agreements in excess of five
26 years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to
27 finance the purchase or construction of school facilities, additions to
28 school facilities, or the reconstruction, remodeling, alteration,
29 modernization, renovation or repair of school facilities, including
30 furnishings, equipment, architect fees and issuance costs. Approved
31 lease purchase agreements in excess of five years shall be accorded the
32 same accounting treatment as school bonds;

33 "Low-income pupils" means those pupils from households with a
34 household income at or below the most recent federal poverty
35 guidelines available on October 15 of the prebudget year multiplied by
36 1.30;

37 "Minimum permissible T&E budget" means the sum of a district's
38 core curriculum standards aid, and required local share calculated
39 pursuant to sections 5, 14 and 15 of this act;

40 "Modified district enrollment" means the number of pupils other
41 than preschool pupils, evening school pupils, post-graduate pupils, and
42 post-secondary vocational pupils who, on the last school day prior to
43 October 16, are enrolled in the school district or county vocational
44 school district; or are resident in the school district or county
45 vocational school district and are: (1) receiving home instruction, (2)
46 enrolled in an approved private school for the handicapped, (3)

1 enrolled in a regional day school, (4) enrolled in a county special
2 services school district, (5) enrolled in an educational services
3 commission including an alternative high school program operated by
4 an educational services commission, (6) enrolled in a State college
5 demonstration school, (7) enrolled in the Marie H. Katzenbach School
6 for the Deaf, or (8) enrolled in an alternative high school program in
7 a county vocational school. Modified district enrollment shall be
8 based on the prebudget year count for the determination of
9 concentration of low-income pupils, and shall be projected to the
10 current year and adjusted pursuant to section 5 of this act when used
11 in the calculation of aid;

12 "Net budget" unless otherwise stated in this act, means the sum of
13 the net T&E budget and the portion of the district's local levy that is
14 above the district's maximum T & E budget;

15 "Net T&E budget" means the sum of the T&E program budget,
16 early childhood program aid, demonstrably effective program aid,
17 instructional supplement aid, transportation aid, and categorical
18 program aid received pursuant to sections 19 through 22, 28, and 29
19 of this act;

20 "Prebudget year" means the school fiscal year preceding the year in
21 which the school budget is implemented;

22 "Prebudget year equalized tax rate" means the amount calculated by
23 dividing the district's general fund levy for the prebudget year by its
24 equalized valuation certified in the year prior to the prebudget year;

25 "Prebudget year net budget" for the 1997-98 school year means the
26 sum of the foundation aid, transition aid, transportation aid, special
27 education aid, bilingual education aid, aid for at-risk pupils,
28 technology aid, and county vocational program aid received by a
29 school district or county vocational school district in the 1996-97
30 school year pursuant to P.L.1996, c.42, and the district's local levy for
31 the general fund;

32 "Report on the Cost of Providing a Thorough and Efficient
33 Education" or "Report" means the report issued by the Governor
34 pursuant to section 4 of this act;

35 "Resident enrollment" means the number of pupils other than
36 preschool pupils, post-graduate pupils, and post-secondary vocational
37 pupils who, on the last school day prior to October 16 of the current
38 school year, are residents of the district and are enrolled in: (1) the
39 public schools of the district, excluding evening schools, (2) another
40 school district, other than a county vocational school district in the
41 same county on a full-time basis, or a State college demonstration
42 school or private school to which the district of residence pays tuition,
43 or (3) a State facility in which they are placed by the district; or are
44 residents of the district and are: (1) receiving home instruction, or (2)
45 in a shared-time vocational program and are regularly attending a
46 school in the district and a county vocational school district. In

1 addition, resident enrollment shall include the number of pupils who,
2 on the last school day prior to October 16 of the prebudget year, are
3 residents of the district and in a State facility in which they were
4 placed by the State. Pupils in a shared-time vocational program shall
5 be counted on an equated full-time basis in accordance with
6 procedures to be established by the commissioner. Resident
7 enrollment shall include regardless of nonresidence, the enrolled
8 children of teaching staff members of the school district or county
9 vocational school district who are permitted, by contract or local
10 district policy, to enroll their children in the educational program of
11 the school district or county vocational school district without
12 payment of tuition. Handicapped children between three and five
13 years of age and receiving programs and services pursuant to
14 N.J.S.18A:46-6 shall be included in the resident enrollment of the
15 district.

16 Beginning in 1997-98 and thereafter, resident enrollment shall also
17 include those nonresident children who are permitted to enroll in the
18 educational program without payment of tuition as part of a voluntary
19 program of interdistrict public school choice approved by the
20 commissioner;

21 "School district" means any local or regional school district
22 established pursuant to chapter 8 or chapter 13 of Title 18A of the
23 New Jersey Statutes;

24 "School enrollment" means the number of pupils other than
25 preschool pupils, evening school pupils, post-graduate pupils, and
26 post-secondary vocational pupils who, on the last school day prior to
27 October 16 of the current school year, are recorded in the registers of
28 the school;

29 "Special education services pupils" means a pupil receiving specific
30 services pursuant to chapter 46 of Title 18A of the New Jersey
31 Statutes;

32 "Spending growth limitation" means the annual rate of growth
33 permitted in the net budget of a school district, county vocational
34 school district or county special services school district as measured
35 between the net budget of the prebudget year and the net budget of the
36 budget year as calculated pursuant to subsection d. of section 5 of this
37 act;

38 "Stabilization aid growth limit" means 10% or the rate of growth in
39 the district's projected resident enrollment over the prebudget year,
40 whichever is greater. For the 1997-98 school year, this means 8% or
41 one-half the rate of growth in the district's projected resident
42 enrollment and preschool enrollment between the October 1991
43 enrollment report as contained on the district's Application for State
44 School Aid for 1992-93 and the 1997-98 school year, whichever is
45 greater. For the 1998-99 and 1999-2000 school years, this means the
46 greatest of the following: 10%, one-half the district's rate of growth

1 in projected resident enrollment and preschool enrollment over the
2 October 1991 enrollment report as contained on the district's
3 Application for State School Aid for 1992-93, or the district's
4 projected rate of growth in resident enrollment over the prebudget
5 year;

6 "State facility" means a State developmental center; a State
7 Division of Youth and Family Services' residential center; a State
8 residential mental health center; a DHS Regional Day School; a State
9 training school / Secure care facility; a State juvenile community
10 program; a juvenile detention center or a boot camp under the
11 supervisory authority of the Juvenile Justice Commission pursuant to
12 P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by
13 or under contract with the Department of Corrections or Human
14 Services, or the Juvenile Justice Commission;

15 "Statewide average equalized school tax rate" means the amount
16 calculated by dividing the general fund tax levy for all school districts,
17 which excludes county vocational school districts and county special
18 services school districts as defined pursuant to this section, in the
19 State for the prebudget year by the equalized valuations certified in the
20 year prior to the prebudget year of all taxing districts in the State
21 except taxing districts for which there are no school tax levies;

22 "Statewide equalized valuation per pupil" means the equalized
23 valuations of all taxing districts having resident enrollment in the
24 State, divided by the resident enrollment for the State;

25 "T&E amount" means the cost per elementary pupil of delivering
26 the core curriculum content standards and extracurricular and
27 cocurricular activities necessary for a thorough regular education
28 under the assumptions of reasonableness and efficiency contained in
29 the Report on the Cost of Providing a Thorough and Efficient
30 Education;

31 "T&E flexible amount" means the dollar amount which shall be
32 applied to the T&E amount to determine the T&E range;

33 "T&E program budget" means the sum of core curriculum
34 standards aid, supplemental core curriculum standards aid,
35 stabilization aid, designated general fund balance, miscellaneous local
36 general fund revenue and that portion of the district's local levy that
37 supports the district's T&E budget;

38 "T&E range" means the range of regular education spending which
39 shall be considered thorough and efficient. The range shall be
40 expressed in terms of T&E budget spending per elementary pupil, and
41 shall be delineated by alternatively adding to and subtracting from the
42 T&E amount the T&E flexible amount;

43 "Total Statewide income" means the sum of the district incomes of
44 all taxing districts in the State.

45 (cf: P.L.1996, c.138, s.3)

1 ¹2. (New section) Notwithstanding the provisions of P.L.1996,
 2 c.138 (C.18A:7F-1 et seq.) to the contrary, a school district which is
 3 not defined as an Abbott district prior to enactment of P.L. , c.
 4 (now pending before the Legislature as this bill) and becomes an
 5 Abbott district as a result of the enactment of P.L. c. , shall have
 6 its State aid determined as follows:

7 Aid = NAD + (AD-NAD) x F

8 Where:

9 NAD equals the district's aid entitlement calculated as if the district
 10 were not an Abbott district;

11 AD equals the district's aid entitlement calculated as if the district
 12 were an Abbott district; and

13 F equals 0.33 for the fiscal year beginning on July 1, 1999, 0.67
 14 for the fiscal year beginning on July 1, 2000, and 1.0 for the fiscal year
 15 beginning on July 1, 2001.¹

16

17 ¹[2.] ¹3.¹ This act shall take effect immediately ¹and apply to State
 18 aid distributions for the 1999-2000 school year and thereafter,
 19 provided, however, that section 2 shall expire on June 30, 2002¹.

20

21

22

23

24 Provides for the inclusion of any district designated as a special needs
 25 district under the QEA within the Abbott district definition.

SENATE, No. 806

STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED MARCH 2, 1998

Sponsored by:

Senator JOSEPH A. PALAIA

District 11 (Monmouth)

Senator JOHN A. LYNCH

District 17 (Middlesex, Somerset and Union)

SYNOPSIS

Provides for the inclusion of any district designated as a special needs district under the QEA within the Abbott district definition.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/25/1998)

1 AN ACT concerning public school funding and amending P.L.1996,
2 c.138.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 3 of P.L. 1996, c.138 (C.18A:7F-3) is amended to read
8 as follows:

9 3. As used in this act, unless the context clearly requires a different
10 meaning:

11 "Abbott district" means one of the 28 urban districts in district
12 factor groups A and B specifically identified in the appendix to
13 Raymond Abbott, et al. v. Fred G. Burke, et al. decided by the New
14 Jersey Supreme Court on June 5, 1990 (119 N.J.287, 394) or any
15 other district classified as a special needs district under the "Quality
16 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.);

17 "Bilingual education pupil" means a pupil enrolled in a program of
18 bilingual education or in an English as a second language program
19 approved by the State Board of Education;

20 "Budgeted local share" means the sum of designated general fund
21 balance, miscellaneous revenues estimated consistent with GAAP, and
22 that portion of the district's local tax levy contained in the T&E budget
23 certified for taxation purposes;

24 "Capital outlay" means capital outlay as defined in GAAP;

25 "Commissioner" means the Commissioner of Education;

26 "Concentration of low-income pupils" shall be based on prebudget
27 year pupil data and means, for a school district or a county vocational
28 school district, the number of low-income pupils among those counted
29 in modified district enrollment, divided by modified district enrollment.
30 For a school, it means the number of low-income pupils recorded in
31 the registers at that school, divided by the total number of pupils
32 recorded in the school's registers;

33 "CPI" means the average annual increase, expressed as a decimal,
34 in the consumer price index for the New York City and Philadelphia
35 areas during the fiscal year preceding the prebudget year as reported
36 by the United States Department of Labor;

37 "County special services school district" means any entity
38 established pursuant to article 8 of chapter 46 of Title 18A of the
39 New Jersey Statutes;

40 "County vocational school district" means any entity established
41 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
42 Statutes;

43 "County vocational school, special education services pupil" means

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

Matter underlined thus is new matter.

1 a pupil who is attending a county vocational school and who is
2 receiving specific services pursuant to chapter 46 of Title 18A of the
3 New Jersey Statutes;

4 "Debt service" means and includes payments of principal and
5 interest upon school bonds and other obligations issued to finance the
6 purchase or construction of school facilities, additions to school
7 facilities, or the reconstruction, remodeling, alteration, modernization,
8 renovation or repair of school facilities, including furnishings,
9 equipment, architect fees and the costs of issuance of such obligations
10 and shall include payments of principal and interest upon bonds
11 heretofore issued to fund or refund such obligations, and upon
12 municipal bonds and other obligations which the commissioner
13 approves as having been issued for such purposes. Debt service
14 pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.),
15 P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177
16 (C.18A:58-33.2 et seq.) is excluded;

17 "District factor group A district" means a school district, other than
18 an Abbott district or a school district in which the equalized valuation
19 per pupil is more than twice the average Statewide equalized valuation
20 per pupil and in which resident enrollment exceeds 2,000 pupils, which
21 based on the 1990 federal census data is included within the
22 Department of Education's district factor group A;

23 "District income" for the 1997-98 school year means the aggregate
24 income of the residents of the taxing district or taxing districts, based
25 upon data provided by the Bureau of the Census in the United States
26 Department of Commerce for 1989. Beginning with the 1998-99
27 school year and thereafter, district income means the aggregate
28 income of the residents of the taxing district or taxing districts, based
29 upon data provided by the Division of Taxation in the New Jersey
30 Department of the Treasury and contained on the New Jersey State
31 Income Tax forms for the calendar year ending prior to the prebudget
32 year. The commissioner may supplement data contained on the State
33 Income Tax forms with data available from other State or federal
34 agencies in order to better correlate the data to that collected on the
35 federal census. With respect to regional districts and their constituent
36 districts, however, the district income as described above shall be
37 allocated among the regional and constituent districts in proportion to
38 the number of pupils resident in each of them;

39 "Estimated minimum equalized tax rate" for a school district means
40 the district's required local share divided by its equalized valuation; for
41 the State it means the sum of the required local shares of all school
42 districts in the State, excluding county vocational and county special
43 services school districts as defined pursuant to this section, divided by
44 the sum of the equalized valuations for all the school districts in the
45 State except those for which there is no required local share;

46 "Equalized valuation" means the equalized valuation of the taxing

1 district or taxing districts, as certified by the Director of the Division
2 of Taxation on October 1, or subsequently revised by the tax court by
3 January 15, of the prebudget year. With respect to regional districts
4 and their constituent districts, however, the equalized valuations as
5 described above shall be allocated among the regional and constituent
6 districts in proportion to the number of pupils resident in each of them.
7 In the event that the equalized table certified by the director shall be
8 revised by the tax court after January 15 of the prebudget year, the
9 revised valuations shall be used in the recomputation of aid for an
10 individual school district filing an appeal, but shall have no effect upon
11 the calculation of the property value multiplier, Statewide equalized
12 valuation per pupil, estimated minimum equalized tax rate for the
13 State, or Statewide average equalized school tax rate;

14 "GAAP" means the generally accepted accounting principles
15 established by the Governmental Accounting Standards Board as
16 prescribed by the State board pursuant to N.J.S.18A:4-14;

17 "Household income" means income as defined in 7CFR 245.2 and
18 245.6 or any subsequent superseding federal law or regulation;

19 "Lease purchase payment" means and includes payments of
20 principal and interest for lease purchase agreements in excess of five
21 years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to
22 finance the purchase or construction of school facilities, additions to
23 school facilities, or the reconstruction, remodeling, alteration,
24 modernization, renovation or repair of school facilities, including
25 furnishings, equipment, architect fees and issuance costs. Approved
26 lease purchase agreements in excess of five years shall be accorded the
27 same accounting treatment as school bonds;

28 "Low-income pupils" means those pupils from households with a
29 household income at or below the most recent federal poverty
30 guidelines available on October 15 of the prebudget year multiplied by
31 1.30;

32 "Minimum permissible T&E budget" means the sum of a district's
33 core curriculum standards aid, and required local share calculated
34 pursuant to sections 5, 14 and 15 of this act;

35 "Modified district enrollment" means the number of pupils other
36 than preschool pupils, evening school pupils, post-graduate pupils, and
37 post-secondary vocational pupils who, on the last school day prior to
38 October 16, are enrolled in the school district or county vocational
39 school district; or are resident in the school district or county
40 vocational school district and are: (1) receiving home instruction, (2)
41 enrolled in an approved private school for the handicapped, (3)
42 enrolled in a regional day school, (4) enrolled in a county special
43 services school district, (5) enrolled in an educational services
44 commission including an alternative high school program operated by
45 an educational services commission, (6) enrolled in a State college
46 demonstration school, (7) enrolled in the Marie H. Katzenbach School

1 for the Deaf, or (8) enrolled in an alternative high school program in
2 a county vocational school. Modified district enrollment shall be
3 based on the prebudget year count for the determination of
4 concentration of low-income pupils, and shall be projected to the
5 current year and adjusted pursuant to section 5 of this act when used
6 in the calculation of aid;

7 "Net budget" unless otherwise stated in this act, means the sum of
8 the net T&E budget and the portion of the district's local levy that is
9 above the district's maximum T & E budget;

10 "Net T&E budget" means the sum of the T&E program budget,
11 early childhood program aid, demonstrably effective program aid,
12 instructional supplement aid, transportation aid, and categorical
13 program aid received pursuant to sections 19 through 22, 28, and 29
14 of this act;

15 "Prebudget year" means the school fiscal year preceding the year in
16 which the school budget is implemented;

17 "Prebudget year equalized tax rate" means the amount calculated by
18 dividing the district's general fund levy for the prebudget year by its
19 equalized valuation certified in the year prior to the prebudget year;

20 "Prebudget year net budget" for the 1997-98 school year means the
21 sum of the foundation aid, transition aid, transportation aid, special
22 education aid, bilingual education aid, aid for at-risk pupils,
23 technology aid, and county vocational program aid received by a
24 school district or county vocational school district in the 1996-97
25 school year pursuant to P.L.1996, c.42, and the district's local levy for
26 the general fund;

27 "Report on the Cost of Providing a Thorough and Efficient
28 Education" or "Report" means the report issued by the Governor
29 pursuant to section 4 of this act;

30 "Resident enrollment" means the number of pupils other than
31 preschool pupils, post-graduate pupils, and post-secondary vocational
32 pupils who, on the last school day prior to October 16 of the current
33 school year, are residents of the district and are enrolled in: (1) the
34 public schools of the district, excluding evening schools, (2) another
35 school district, other than a county vocational school district in the
36 same county on a full-time basis, or a State college demonstration
37 school or private school to which the district of residence pays tuition,
38 or (3) a State facility in which they are placed by the district; or are
39 residents of the district and are: (1) receiving home instruction, or (2)
40 in a shared-time vocational program and are regularly attending a
41 school in the district and a county vocational school district. In
42 addition, resident enrollment shall include the number of pupils who,
43 on the last school day prior to October 16 of the prebudget year, are
44 residents of the district and in a State facility in which they were
45 placed by the State. Pupils in a shared-time vocational program shall
46 be counted on an equated full-time basis in accordance with

1 procedures to be established by the commissioner. Resident
2 enrollment shall include regardless of nonresidence, the enrolled
3 children of teaching staff members of the school district or county
4 vocational school district who are permitted, by contract or local
5 district policy, to enroll their children in the educational program of
6 the school district or county vocational school district without
7 payment of tuition. Handicapped children between three and five
8 years of age and receiving programs and services pursuant to
9 N.J.S.18A:46-6 shall be included in the resident enrollment of the
10 district.

11 Beginning in 1997-98 and thereafter, resident enrollment shall also
12 include those nonresident children who are permitted to enroll in the
13 educational program without payment of tuition as part of a voluntary
14 program of interdistrict public school choice approved by the
15 commissioner;

16 "School district" means any local or regional school district
17 established pursuant to chapter 8 or chapter 13 of Title 18A of the
18 New Jersey Statutes;

19 "School enrollment" means the number of pupils other than
20 preschool pupils, evening school pupils, post-graduate pupils, and
21 post-secondary vocational pupils who, on the last school day prior to
22 October 16 of the current school year, are recorded in the registers of
23 the school;

24 "Special education services pupils" means a pupil receiving specific
25 services pursuant to chapter 46 of Title 18A of the New Jersey
26 Statutes;

27 "Spending growth limitation" means the annual rate of growth
28 permitted in the net budget of a school district, county vocational
29 school district or county special services school district as measured
30 between the net budget of the prebudget year and the net budget of the
31 budget year as calculated pursuant to subsection d. of section 5 of this
32 act;

33 "Stabilization aid growth limit" means 10% or the rate of growth in
34 the district's projected resident enrollment over the prebudget year,
35 whichever is greater. For the 1997-98 school year, this means 8% or
36 one-half the rate of growth in the district's projected resident
37 enrollment and preschool enrollment between the October 1991
38 enrollment report as contained on the district's Application for State
39 School Aid for 1992-93 and the 1997-98 school year, whichever is
40 greater. For the 1998-99 and 1999-2000 school years, this means the
41 greatest of the following: 10%, one-half the district's rate of growth
42 in projected resident enrollment and preschool enrollment over the
43 October 1991 enrollment report as contained on the district's
44 Application for State School Aid for 1992-93, or the district's
45 projected rate of growth in resident enrollment over the prebudget
46 year;

1 "State facility" means a State developmental center; a State
2 Division of Youth and Family Services' residential center; a State
3 residential mental health center; a DHS Regional Day School; a State
4 training school / Secure care facility; a State juvenile community
5 program; a juvenile detention center or a boot camp under the
6 supervisory authority of the Juvenile Justice Commission pursuant to
7 P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by
8 or under contract with the Department of Corrections or Human
9 Services, or the Juvenile Justice Commission;

10 "Statewide average equalized school tax rate" means the amount
11 calculated by dividing the general fund tax levy for all school districts,
12 which excludes county vocational school districts and county special
13 services school districts as defined pursuant to this section, in the
14 State for the prebudget year by the equalized valuations certified in the
15 year prior to the prebudget year of all taxing districts in the State
16 except taxing districts for which there are no school tax levies;

17 "Statewide equalized valuation per pupil" means the equalized
18 valuations of all taxing districts having resident enrollment in the
19 State, divided by the resident enrollment for the State;

20 "T&E amount" means the cost per elementary pupil of delivering
21 the core curriculum content standards and extracurricular and
22 cocurricular activities necessary for a thorough regular education
23 under the assumptions of reasonableness and efficiency contained in
24 the Report on the Cost of Providing a Thorough and Efficient
25 Education;

26 "T&E flexible amount" means the dollar amount which shall be
27 applied to the T&E amount to determine the T&E range;

28 "T&E program budget" means the sum of core curriculum
29 standards aid, supplemental core curriculum standards aid,
30 stabilization aid, designated general fund balance, miscellaneous local
31 general fund revenue and that portion of the district's local levy that
32 supports the district's T&E budget;

33 "T&E range" means the range of regular education spending which
34 shall be considered thorough and efficient. The range shall be
35 expressed in terms of T&E budget spending per elementary pupil, and
36 shall be delineated by alternatively adding to and subtracting from the
37 T&E amount the T&E flexible amount;

38 "Total Statewide income" means the sum of the district incomes of
39 all taxing districts in the State.

40 (cf: P.L.1996, c.138, s.3)

41

42 2. This act shall take effect immediately.

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STATEMENT

This bill amends the definition of "Abbott district" under the new school funding law, the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L.1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L.1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefor their treatment as Abbott districts under CEIFA.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 806

STATE OF NEW JERSEY

DATED: SEPTEMBER 24, 1998

The Senate Education Committee reports favorably Senate Bill No. 806.

This bill amends the definition of "Abbott district" under the new school funding law, the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L.1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L.1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefore their treatment as Abbott districts under CEIFA.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 806

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 23, 1998

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 806.

This bill amends the definition of "Abbott district" under the new school funding law, the "Comprehensive Educational Improvement and Financing Act of 1996" (CEIFA), P.L.1996, c.138, to include any district that was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990" (QEA), P.L.1990, c.52.

Currently, the category of Abbott districts under CEIFA includes 28 urban districts to which judicial remedy is applicable under the Supreme Court's decision in Abbott v. Burke, 119 N.J.287, 394 (1990) ("Abbott II"). Under the bill, the Abbott district designation would be extended to Plainfield City and Neptune Township.

The principal effects of redesignating the two districts as Abbott districts will be to (1) qualify them for Parity Remedy State Aid as required under the decision of the New Jersey Supreme Court in Abbott v. Burke, 149 N.J.145 (1997) ("Abbott IV") (see, for FY1999, P.L.1998, c.45, p.190), and (2) make them eligible under Abbott v. Burke, 153 N.J.480 (1998) ("Abbott V") for 100% State funding of facilities improvements and for any additional funding as may be necessary to implement pre-school and other programs required by the Court.

The bill provides for a phase-in of the increase in State aid to the redesignated districts over a period of three years, with the full amount of the increase taking effect beginning with the school year commencing July 1, 2001.

COMMITTEE AMENDMENTS

The amendments to this bill incorporate the provision for phasing in the increase in State aid over a three-year period. As amended, the bill is identical to Assembly Bill No. 1494 (1R).

FISCAL IMPACT

The Office of Legislative Services has estimated that if this bill had been in effect and fully phased in for the 1998-99 school year, the fiscal year 1999 cost to the State would have been approximately \$14 million to provide additional CEIFA aid and parity remedy aid to Plainfield and Neptune Township school districts; of the \$14 million, \$12.5 million would have been distributed to the Plainfield School District and \$1.5 million would have been distributed to the Neptune Township School District. It should be noted that the \$14 million does not include the State's prospective liability to fund the additional facilities and program obligations to the districts under Abbott V, as the specific scope of these obligations is presently unknown. It is anticipated that this bill, as amended, will have no State budgetary impact in fiscal year 1999; the cost will be phased in over three years starting with FY2000.

LEGISLATIVE FISCAL ESTIMATE

SENATE, No. 806

STATE OF NEW JERSEY

208th LEGISLATURE

DATED: NOVEMBER 24, 1998

Senate Bill No. 806 of 1998 amends the definition of "Abbott district" under the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L. 1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L. 1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefore their treatment as Abbott districts.

The Office of Legislative Services (OLS) estimates that the enactment of this bill will cost the State approximately \$14 million in the 1998-99 school year to provide additional CEIFA aid and parity remedy aid to Plainfield and Neptune Township School Districts. Of the \$14 million, \$12.5 million would be distributed to the Plainfield School District and \$1.5 million would be distributed to the Neptune Township School District.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

ASSEMBLY, No. 1494

STATE OF NEW JERSEY
208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

Sponsored by:

Assemblyman JERRY GREEN

District 17 (Middlesex, Somerset and Union)

Assemblyman TOM SMITH

District 11 (Monmouth)

SYNOPSIS

Provides for the inclusion of any district designated as a special needs district under the QEA within the Abbott district definition.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

1 AN ACT concerning public school funding and amending P.L.1996,
2 c.138.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 3 of P.L.1996, c.138 (C.18A:7F-3) is amended to read
8 as follows:

9 3. As used in this act, unless the context clearly requires a different
10 meaning:

11 "Abbott district" means one of the 28 urban districts in district
12 factor groups A and B specifically identified in the appendix to
13 Raymond Abbott, et al. v. Fred G. Burke, et al. decided by the New
14 Jersey Supreme Court on June 5, 1990 (119 N.J.287, 394) or any
15 other district classified as a special needs district under the "Quality
16 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.);

17 "Bilingual education pupil" means a pupil enrolled in a program of
18 bilingual education or in an English as a second language program
19 approved by the State Board of Education;

20 "Budgeted local share" means the sum of designated general fund
21 balance, miscellaneous revenues estimated consistent with GAAP, and
22 that portion of the district's local tax levy contained in the T&E budget
23 certified for taxation purposes;

24 "Capital outlay" means capital outlay as defined in GAAP;

25 "Commissioner" means the Commissioner of Education;

26 "Concentration of low-income pupils" shall be based on prebudget
27 year pupil data and means, for a school district or a county vocational
28 school district, the number of low-income pupils among those counted
29 in modified district enrollment, divided by modified district enrollment.
30 For a school, it means the number of low-income pupils recorded in
31 the registers at that school, divided by the total number of pupils
32 recorded in the school's registers;

33 "CPI" means the average annual increase, expressed as a decimal,
34 in the consumer price index for the New York City and Philadelphia
35 areas during the fiscal year preceding the prebudget year as reported
36 by the United States Department of Labor;

37 "County special services school district" means any entity
38 established pursuant to article 8 of chapter 46 of Title 18A of the
39 New Jersey Statutes;

40 "County vocational school district" means any entity established
41 pursuant to article 3 of chapter 54 of Title 18A of the New Jersey
42 Statutes;

43 "County vocational school, special education services pupil" means

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

Matter underlined thus is new matter.

1 a pupil who is attending a county vocational school and who is
2 receiving specific services pursuant to chapter 46 of Title 18A of the
3 New Jersey Statutes;

4 "Debt service" means and includes payments of principal and
5 interest upon school bonds and other obligations issued to finance the
6 purchase or construction of school facilities, additions to school
7 facilities, or the reconstruction, remodeling, alteration, modernization,
8 renovation or repair of school facilities, including furnishings,
9 equipment, architect fees and the costs of issuance of such obligations
10 and shall include payments of principal and interest upon bonds
11 heretofore issued to fund or refund such obligations, and upon
12 municipal bonds and other obligations which the commissioner
13 approves as having been issued for such purposes. Debt service
14 pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.),
15 P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177
16 (C.18A:58-33.2 et seq.) is excluded;

17 "District factor group A district" means a school district, other than
18 an Abbott district or a school district in which the equalized valuation
19 per pupil is more than twice the average Statewide equalized valuation
20 per pupil and in which resident enrollment exceeds 2,000 pupils, which
21 based on the 1990 federal census data is included within the
22 Department of Education's district factor group A;

23 "District income" for the 1997-98 school year means the aggregate
24 income of the residents of the taxing district or taxing districts, based
25 upon data provided by the Bureau of the Census in the United States
26 Department of Commerce for 1989. Beginning with the 1998-99
27 school year and thereafter, district income means the aggregate
28 income of the residents of the taxing district or taxing districts, based
29 upon data provided by the Division of Taxation in the New Jersey
30 Department of the Treasury and contained on the New Jersey State
31 Income Tax forms for the calendar year ending prior to the prebudget
32 year. The commissioner may supplement data contained on the State
33 Income Tax forms with data available from other State or federal
34 agencies in order to better correlate the data to that collected on the
35 federal census. With respect to regional districts and their constituent
36 districts, however, the district income as described above shall be
37 allocated among the regional and constituent districts in proportion to
38 the number of pupils resident in each of them;

39 "Estimated minimum equalized tax rate" for a school district means
40 the district's required local share divided by its equalized valuation; for
41 the State it means the sum of the required local shares of all school
42 districts in the State, excluding county vocational and county special
43 services school districts as defined pursuant to this section, divided by
44 the sum of the equalized valuations for all the school districts in the
45 State except those for which there is no required local share;

46 "Equalized valuation" means the equalized valuation of the taxing

1 district or taxing districts, as certified by the Director of the Division
2 of Taxation on October 1, or subsequently revised by the tax court by
3 January 15, of the prebudget year. With respect to regional districts
4 and their constituent districts, however, the equalized valuations as
5 described above shall be allocated among the regional and constituent
6 districts in proportion to the number of pupils resident in each of them.
7 In the event that the equalized table certified by the director shall be
8 revised by the tax court after January 15 of the prebudget year, the
9 revised valuations shall be used in the recomputation of aid for an
10 individual school district filing an appeal, but shall have no effect upon
11 the calculation of the property value multiplier, Statewide equalized
12 valuation per pupil, estimated minimum equalized tax rate for the
13 State, or Statewide average equalized school tax rate;

14 "GAAP" means the generally accepted accounting principles
15 established by the Governmental Accounting Standards Board as
16 prescribed by the State board pursuant to N.J.S.18A:4-14;

17 "Household income" means income as defined in 7CFR 245.2 and
18 245.6 or any subsequent superseding federal law or regulation;

19 "Lease purchase payment" means and includes payments of
20 principal and interest for lease purchase agreements in excess of five
21 years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to
22 finance the purchase or construction of school facilities, additions to
23 school facilities, or the reconstruction, remodeling, alteration,
24 modernization, renovation or repair of school facilities, including
25 furnishings, equipment, architect fees and issuance costs. Approved
26 lease purchase agreements in excess of five years shall be accorded the
27 same accounting treatment as school bonds;

28 "Low-income pupils" means those pupils from households with a
29 household income at or below the most recent federal poverty
30 guidelines available on October 15 of the prebudget year multiplied by
31 1.30;

32 "Minimum permissible T&E budget" means the sum of a district's
33 core curriculum standards aid, and required local share calculated
34 pursuant to sections 5, 14 and 15 of this act;

35 "Modified district enrollment" means the number of pupils other
36 than preschool pupils, evening school pupils, post-graduate pupils, and
37 post-secondary vocational pupils who, on the last school day prior to
38 October 16, are enrolled in the school district or county vocational
39 school district; or are resident in the school district or county
40 vocational school district and are: (1) receiving home instruction, (2)
41 enrolled in an approved private school for the handicapped, (3)
42 enrolled in a regional day school, (4) enrolled in a county special
43 services school district, (5) enrolled in an educational services
44 commission including an alternative high school program operated by
45 an educational services commission, (6) enrolled in a State college
46 demonstration school, (7) enrolled in the Marie H. Katzenbach School

1 for the Deaf, or (8) enrolled in an alternative high school program in
2 a county vocational school. Modified district enrollment shall be
3 based on the prebudget year count for the determination of
4 concentration of low-income pupils, and shall be projected to the
5 current year and adjusted pursuant to section 5 of this act when used
6 in the calculation of aid;

7 "Net budget" unless otherwise stated in this act, means the sum of
8 the net T&E budget and the portion of the district's local levy that is
9 above the district's maximum T & E budget;

10 "Net T&E budget" means the sum of the T&E program budget,
11 early childhood program aid, demonstrably effective program aid,
12 instructional supplement aid, transportation aid, and categorical
13 program aid received pursuant to sections 19 through 22, 28, and 29
14 of this act;

15 "Prebudget year" means the school fiscal year preceding the year in
16 which the school budget is implemented;

17 "Prebudget year equalized tax rate" means the amount calculated by
18 dividing the district's general fund levy for the prebudget year by its
19 equalized valuation certified in the year prior to the prebudget year;

20 "Prebudget year net budget" for the 1997-98 school year means the
21 sum of the foundation aid, transition aid, transportation aid, special
22 education aid, bilingual education aid, aid for at-risk pupils,
23 technology aid, and county vocational program aid received by a
24 school district or county vocational school district in the 1996-97
25 school year pursuant to P.L.1996, c.42, and the district's local levy for
26 the general fund;

27 "Report on the Cost of Providing a Thorough and Efficient
28 Education" or "Report" means the report issued by the Governor
29 pursuant to section 4 of this act;

30 "Resident enrollment" means the number of pupils other than
31 preschool pupils, post-graduate pupils, and post-secondary vocational
32 pupils who, on the last school day prior to October 16 of the current
33 school year, are residents of the district and are enrolled in: (1) the
34 public schools of the district, excluding evening schools, (2) another
35 school district, other than a county vocational school district in the
36 same county on a full-time basis, or a State college demonstration
37 school or private school to which the district of residence pays tuition,
38 or (3) a State facility in which they are placed by the district; or are
39 residents of the district and are: (1) receiving home instruction, or (2)
40 in a shared-time vocational program and are regularly attending a
41 school in the district and a county vocational school district. In
42 addition, resident enrollment shall include the number of pupils who,
43 on the last school day prior to October 16 of the prebudget year, are
44 residents of the district and in a State facility in which they were
45 placed by the State. Pupils in a shared-time vocational program shall
46 be counted on an equated full-time basis in accordance with

1 procedures to be established by the commissioner. Resident
2 enrollment shall include regardless of nonresidence, the enrolled
3 children of teaching staff members of the school district or county
4 vocational school district who are permitted, by contract or local
5 district policy, to enroll their children in the educational program of
6 the school district or county vocational school district without
7 payment of tuition. Handicapped children between three and five
8 years of age and receiving programs and services pursuant to
9 N.J.S.18A:46-6 shall be included in the resident enrollment of the
10 district.

11 Beginning in 1997-98 and thereafter, resident enrollment shall also
12 include those nonresident children who are permitted to enroll in the
13 educational program without payment of tuition as part of a voluntary
14 program of interdistrict public school choice approved by the
15 commissioner;

16 "School district" means any local or regional school district
17 established pursuant to chapter 8 or chapter 13 of Title 18A of the
18 New Jersey Statutes;

19 "School enrollment" means the number of pupils other than
20 preschool pupils, evening school pupils, post-graduate pupils, and
21 post-secondary vocational pupils who, on the last school day prior to
22 October 16 of the current school year, are recorded in the registers of
23 the school;

24 "Special education services pupils" means a pupil receiving specific
25 services pursuant to chapter 46 of Title 18A of the New Jersey
26 Statutes;

27 "Spending growth limitation" means the annual rate of growth
28 permitted in the net budget of a school district, county vocational
29 school district or county special services school district as measured
30 between the net budget of the prebudget year and the net budget of the
31 budget year as calculated pursuant to subsection d. of section 5 of this
32 act;

33 "Stabilization aid growth limit" means 10% or the rate of growth in
34 the district's projected resident enrollment over the prebudget year,
35 whichever is greater. For the 1997-98 school year, this means 8% or
36 one-half the rate of growth in the district's projected resident
37 enrollment and preschool enrollment between the October 1991
38 enrollment report as contained on the district's Application for State
39 School Aid for 1992-93 and the 1997-98 school year, whichever is
40 greater. For the 1998-99 and 1999-2000 school years, this means the
41 greatest of the following: 10%, one-half the district's rate of growth
42 in projected resident enrollment and preschool enrollment over the
43 October 1991 enrollment report as contained on the district's
44 Application for State School Aid for 1992-93, or the district's
45 projected rate of growth in resident enrollment over the prebudget
46 year;

1 "State facility" means a State developmental center; a State
2 Division of Youth and Family Services' residential center; a State
3 residential mental health center; a DHS Regional Day School; a State
4 training school / Secure care facility; a State juvenile community
5 program; a juvenile detention center or a boot camp under the
6 supervisory authority of the Juvenile Justice Commission pursuant to
7 P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by
8 or under contract with the Department of Corrections or Human
9 Services, or the Juvenile Justice Commission;

10 "Statewide average equalized school tax rate" means the amount
11 calculated by dividing the general fund tax levy for all school districts,
12 which excludes county vocational school districts and county special
13 services school districts as defined pursuant to this section, in the
14 State for the prebudget year by the equalized valuations certified in the
15 year prior to the prebudget year of all taxing districts in the State
16 except taxing districts for which there are no school tax levies;

17 "Statewide equalized valuation per pupil" means the equalized
18 valuations of all taxing districts having resident enrollment in the
19 State, divided by the resident enrollment for the State;

20 "T&E amount" means the cost per elementary pupil of delivering
21 the core curriculum content standards and extracurricular and
22 cocurricular activities necessary for a thorough regular education
23 under the assumptions of reasonableness and efficiency contained in
24 the Report on the Cost of Providing a Thorough and Efficient
25 Education;

26 "T&E flexible amount" means the dollar amount which shall be
27 applied to the T&E amount to determine the T&E range;

28 "T&E program budget" means the sum of core curriculum
29 standards aid, supplemental core curriculum standards aid,
30 stabilization aid, designated general fund balance, miscellaneous local
31 general fund revenue and that portion of the district's local levy that
32 supports the district's T&E budget;

33 "T&E range" means the range of regular education spending which
34 shall be considered thorough and efficient. The range shall be
35 expressed in terms of T&E budget spending per elementary pupil, and
36 shall be delineated by alternatively adding to and subtracting from the
37 T&E amount the T&E flexible amount;

38 "Total Statewide income" means the sum of the district incomes of
39 all taxing districts in the State.

40 (cf: P.L.1996, c.138, s.3)

41

42 2. This act shall take effect immediately.

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STATEMENT

This bill amends the definition of "Abbott district" under the new schoolfunding law, the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L.1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L.1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefor their treatment as Abbott districts under CEIFA.

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1494

STATE OF NEW JERSEY

DATED: JUNE 4, 1998

The Assembly Education Committee favorably reports Assembly Bill No. 1494.

This bill amends the definition of "Abbott district" under the new school funding law, the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L.1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L.1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefor their treatment as Abbott districts under CEIFA.

This bill was pre-filed for introduction in the 1998 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1494

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 5, 1998

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1494, with committee amendments.

Assembly Bill No. 1494, as amended, changes the definition of "Abbott district" under the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L.1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L.1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefore will provide for their treatment as Abbott districts.

FISCAL IMPACT:

The Office of Legislative Services estimated that if this bill had been in effect for the 1998-99 school year the fiscal year 1999 cost to the State would have been approximately \$14 million to provide additional CEIFA aid and parity remedy aid to Plainfield and Neptune Township School Districts. Of the \$14 million, \$12.5 million would have been distributed to the Plainfield School District and \$1.5 million would have been distributed to the Neptune Township School District. As amended, it is anticipated that this bill will have no State budgetary impact in fiscal year 1999. The cost, which may prove to be somewhat greater or smaller than \$14 million, will be realized in three steps in fiscal years 2000, 2001 and 2002.

COMMITTEE AMENDMENTS:

The committee amended the bill to phase-in the State aid impact of the reclassification of the districts over a three year period beginning in the 1999-2000 school year.

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY, No. 1494

STATE OF NEW JERSEY

208th LEGISLATURE

DATED: AUGUST 10, 1998

Assembly Bill No. 1494 of 1998 amends the definition of "Abbott district" under the "Comprehensive Educational Improvement and Financing Act of 1996," (CEIFA) P.L.1996, c.138, to include any district which was defined as a special needs district under the prior school funding law, the "Quality Education Act of 1990," P.L.1990, c.52. This change will provide for the inclusion of Plainfield and Neptune Township within the Abbott district designation and therefore their treatment as Abbott districts.

The Office of Legislative Services (OLS) estimates that the enactment of this bill will cost the State approximately \$14 million in the 1998-99 school year to provide additional CEIFA aid and parity remedy aid to Plainfield and Neptune Township School Districts. Of the \$14 million, \$12.5 million would be distributed to the Plainfield School District and \$1.5 million would be distributed to the Neptune Township School District.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.