



Title 18A.  
Chapter 36B. (New)  
Interdistrict Public  
School Choice  
Program.  
§§1-5, 16, 6-10  
14, 15  
C.18A:36B-1  
to 18A:36B-13

P.L. 1999, CHAPTER 413, *approved January 18, 2000*  
Senate, No. 2171 (*First Reprint*)

1 AN ACT establishing an interdistrict public school choice program,  
2 supplementing Title 18A of the New Jersey Statutes, amending  
3 P.L.1996, c.138, and making an appropriation.  
4

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

7  
8 1. (New section) This act shall be known and may be cited as the  
9 "Interdistrict Public School Choice Program Act of 1999."  
10

11 2. (New section) As used in this act:

12 "Choice district" means a public school district <sup>1</sup>, established  
13 pursuant to chapter 8 or chapter 13 of Title 18A of the New Jersey  
14 Statutes,<sup>1</sup> which is authorized under the interdistrict public school  
15 choice program to open a school or schools to students from sending  
16 districts;

17 "Commissioner" means the Commissioner of Education;

18 "Receiving district" means the district receiving a student from a  
19 sending district;

20 "Sending district" means the district of residence of a student.  
21

22 3. (New section) The Commissioner of Education shall establish  
23 an interdistrict public school choice program which shall provide for  
24 the creation of choice districts as follows: for the first year of the  
25 program, no more than 10 choice districts Statewide and no more than  
26 one per county; for the second year, no more than 15 choice districts  
27 Statewide and no more than one per county; and for the third, fourth  
28 and fifth years, no more than 21 choice districts Statewide and no  
29 more than one per county A choice district may enroll students across  
30 district lines in designated schools of the choice district.  
31

32 4. (New section) a. A proposed choice district shall submit an  
33 application to the commissioner no later than April 30 in the year prior

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate floor amendments adopted December 6, 1999.

1 to the school year in which the choice program will be implemented;  
2 except that for the first year of implementation of the program the  
3 application shall be submitted no later than the date specified by the  
4 commissioner. The application shall include, but not be limited to, the  
5 following information:

6 (1) a description of programs and schools and the number of  
7 student openings in each school identified by grade level which are  
8 available for selection;

9 (2) the provision for the creation of a parent information center;

10 (3) a description of the student application process and any criteria  
11 required for admission;

12 (4) an analysis of the potential impact of the program on student  
13 population diversity in all potential participating districts and a plan for  
14 maintaining diversity in all potential participating districts, which plan  
15 shall not be used to supersede a court-ordered or administrative court-  
16 ordered desegregation plan; and

17 (5) the provision for screening out students during the application  
18 process who wish to attend a school for athletic, extracurricular or  
19 social reasons.

20 The commissioner shall notify a choice district of the approval or  
21 disapproval of its application no later than July 30, and the reasons for  
22 disapproval shall be included in the notice. An appeal of any  
23 determination by the commissioner not to grant an application for  
24 participation in the choice program may be filed by a school district  
25 with the State Board of Education.

26 b. The commissioner may take appropriate action, consistent with  
27 State and federal law, to provide that student population diversity in  
28 all districts participating in a choice district program is maintained.  
29 Student population diversity shall include, but not be limited to, the  
30 ethnic, racial, economic, and geographic diversity of a district's  
31 student population. The actions may include, but not be limited to:

32 (1) directing a choice district to take appropriate steps to  
33 successfully implement the district's plan for maintaining student  
34 population diversity;

35 (2) restricting the number of choice students from a sending district  
36 or the authority of a choice district to accept choice students in the  
37 future; and

38 (3) revoking approval of the choice district. Any choice student  
39 who is attending a designated school in a choice district at the time of  
40 the commissioner's revocation of approval shall be entitled to continue  
41 to be enrolled in that school until graduation.

42

43 5. (New section) The commissioner shall evaluate an application  
44 submitted by a proposed choice district according to the following  
45 criteria:

46 a. the fiscal impact on the district;

1       b. the quality and variety of academic programs offered within the  
2 district;

3       c. the potential effectiveness of the student application process and  
4 of the admissions criteria utilized;

5       d. the impact on student population diversity in the district; and

6       e. the degree to which the program will promote or reduce  
7 educational quality in the choice district and the sending districts.

8

9       6. (New section) a. The parents or guardian of a student shall  
10 notify the sending district of the student's intention to participate in the  
11 choice program and shall submit an application to the choice district,  
12 indicating the school the student wishes to attend, no later than the  
13 date specified by the commissioner. To be eligible to participate in the  
14 program, a student shall be enrolled at the time of application in  
15 grades K through 9 in a school of the sending district and have  
16 attended school in the sending district for at least one full year  
17 immediately preceding enrollment in the choice district. Openings in  
18 a designated school of a choice district shall be on a space available  
19 basis, and if more applications are received for a designated school  
20 than there are spaces available, a lottery shall be held to determine the  
21 selection of students. Preference for enrollment may be given to  
22 siblings of students who are enrolled in a designated school.

23       b. A choice district may evaluate a prospective student on  
24 reasonable criteria, including the student's interest in the program  
25 offered by a designated school. The district shall not discriminate in  
26 its admission policies or practices on the basis of athletic ability,  
27 intellectual aptitude, English language proficiency, status as a  
28 handicapped person, or any other basis prohibited by State or federal  
29 law.

30       c. A choice district shall not prohibit the enrollment of a student  
31 based upon a determination that the additional cost of educating the  
32 student would exceed the amount of additional State aid received as  
33 a result of the student's enrollment. A choice district may reject the  
34 application for enrollment of a student who has been classified as  
35 eligible for special education services pursuant to chapter 46 of Title  
36 18A of the New Jersey Statutes if that student's individualized  
37 education program could not be implemented in the district, or if the  
38 enrollment of that student would require the district to fundamentally  
39 alter the nature of its educational program, or would create an undue  
40 financial or administrative burden on the district.

41       d. A student whose application is rejected by a choice district shall  
42 be provided with a reason for the rejection in the letter of notice. The  
43 appeal of a rejection notice may be made to the commissioner.

44       e. Once a student is enrolled in a designated school, the student  
45 shall not be required to reapply for each school year and shall continue  
46 to be enrolled until graduation. A student shall be permitted to

1 transfer back to a school of the sending district or may apply to a  
2 different choice district during the next application period.

3 f. A choice district shall accept all of the credits earned toward  
4 graduation by a student in the schools of the sending district.

5 g. A choice district shall notify a sending district upon the  
6 enrollment of a choice student resident in that district.

7

8 7. (New section) a. For the purpose of calculating State aid for  
9 a choice student in a choice district, the student shall not be counted  
10 in the resident enrollment of the receiving district for the calculation  
11 of core curriculum standards aid, but shall be treated in the same  
12 manner as a student who resides in the receiving district for purpose  
13 of calculating all other forms of State aid under the "Comprehensive  
14 Educational Improvement and Financing Act of 1996," P.L.1996,  
15 c.138 (C.18A:7F-1 et seq.). The receiving district shall receive school  
16 choice aid for each choice student in the amount of the weighted per  
17 pupil T & E amount established pursuant to section 12 of P.L.1996,  
18 c.138 (C.18A:7F-12); except that for a choice student who attends a  
19 district factor group A or B receiving district, the receiving district  
20 shall receive the weighted per pupil maximum T & E amount.

21 b. (1) Upon adoption of a resolution, the school board of a sending  
22 district may restrict enrollment of its students in a choice district to  
23 2% <sup>1</sup>~~or greater~~<sup>1</sup> of the number of students per grade level per year  
24 in the sending district, limited by any resolution adopted pursuant to  
25 paragraph (2) of this subsection.

26 (2) Upon adoption of a resolution, the school board of a sending  
27 district may restrict enrollment of its students in a choice district to  
28 7% <sup>1</sup>~~or greater~~<sup>1</sup> of the total number of students enrolled in the  
29 sending district.

30 (3) <sup>1</sup>The school board of a sending district may adopt a resolution  
31 to exceed the enrollment restriction percentages of paragraphs (1) and  
32 (2) of this subsection to a maximum of 10% of the number of students  
33 per grade level per year limited by any resolution adopted pursuant to  
34 this paragraph and 15% of the total number of students enrolled in the  
35 sending district, provided that the resolution shall be subject to  
36 approval by the commissioner upon a determination that the resolution  
37 is in the best interest of the district's students and that it will not  
38 adversely affect the district's programs, services, operations, or fiscal  
39 conditions, and that the resolution will not adversely affect or limit the  
40 diversity of the remainder of the student population in the district who  
41 do not participate in the choice program.

42 (4) Enrollment restriction percentages adopted by any resolution  
43 pursuant to paragraphs (1), (2), or (3) shall not be compounded from  
44 year to year and shall be based upon the enrollment counts for the year  
45 preceding the sending district's initial year of participation in the  
46 choice program, except that in any year of the program in which there

1 is an increase in enrollment, the percentage enrollment restriction may  
2 be applied to the increase and the result added to the preceding year's  
3 count of students eligible to attend a choice district. If there is a  
4 decrease in enrollment at any time during the duration of the program,  
5 the number of students eligible to attend a choice district shall be the  
6 number of students enrolled in the choice program in the initial year of  
7 the district's participation in the program, provided that a student  
8 attending a choice district school shall be entitled to remain enrolled  
9 in that school until graduation.

10 (5)<sup>1</sup> The calculation of the enrollment of a sending district shall be  
11 based on the enrollment count as reported on the Application for State  
12 School Aid in October preceding the school year during which the  
13 restriction on enrollment shall be applicable.

14 c. The school board of a sending district may restrict enrollment of  
15 a student on the basis of an exceptional circumstance that would affect  
16 the sending district's instructional program upon the adoption of a  
17 resolution detailing the reasons for the restriction. The restriction  
18 shall be subject to the approval of the commissioner.

19 d. A choice district shall not be eligible to enroll students on a  
20 tuition basis pursuant to N.J.S.18A:38-3 while participating in the  
21 public school choice program. Any student enrolled on a tuition basis  
22 prior to the establishment of the choice program shall be entitled to  
23 remain enrolled in the choice district as a choice student.

24  
25 8. (New section) Transportation, or aid in lieu of transportation,  
26 shall be provided to an elementary school pupil who lives more than  
27 two miles from the receiving district school of attendance and to a  
28 secondary school pupil who lives more than two and one-half miles  
29 from the receiving district school of attendance, provided the  
30 receiving district school is not more than 20 miles from the residence  
31 of the pupil. Transportation, or aid in lieu of transportation, shall be  
32 the responsibility of the choice district.

33  
34 9. (New section) A choice district shall establish and maintain a  
35 parent information center. The center shall collect and disseminate  
36 information about participating programs and schools and shall assist  
37 parents and guardians in submitting applications for enrollment of  
38 students in an appropriate program and school.

39  
40 10. (New section) a. The commissioner shall annually report to  
41 the State Board of Education and the Legislature on the effectiveness  
42 of the interdistrict public school choice program. No later than June  
43 30 following the second year of the operation of the program the  
44 report shall include a recommendation on the continuation of the  
45 program.

46 b. The Joint Committee on the Public Schools shall commission an

1 independent study of the first two years of the operation of the  
2 program. The study shall be conducted by an individual or entity  
3 primarily identified with expertise in the field of education. The  
4 individual or entity shall design a comprehensive study of the program  
5 which shall include, but not be limited to, consideration of the  
6 following:

7 (1) the impact of the choice program on the sending district's  
8 students, staff, parents, educational programs, and finances;

9 (2) the impact of the choice program on the choice district's  
10 students, staff, parents, educational programs, and finances; and

11 (3) the impact of the choice program on student enrollment  
12 patterns.

13 Before undertaking the study, the Joint Committee on the Public  
14 Schools shall hold a public hearing to solicit public comments  
15 regarding all features of the study. Prior to the hearing, the committee  
16 shall disseminate a draft of the proposed study including, but not  
17 limited to, the content, procedures, criteria and methodology to be  
18 used.

19 c. On or before January 1 of the third year of the program, the  
20 Joint Committee on the Public Schools shall submit a report to the  
21 Legislature on the implementation of the choice program based on the  
22 study and the commissioner's annual reports to the Legislature, which  
23 report shall include a recommendation on whether the program should  
24 be continued in accordance with the provisions of section 3 of this  
25 act. If the Legislature does not act on the recommendation by the  
26 adoption of a concurrent resolution within 60 days of the Joint  
27 Committee's submission of the report, then the program shall be  
28 continued in accordance with the provisions of section 3 of this act.  
29

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

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

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

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

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

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

2 "Commissioner" means the Commissioner of Education;

3 "Concentration of low-income pupils" shall be based on prebudget  
4 year pupil data and means, for a school district or a county vocational  
5 school district, the number of low-income pupils among those counted  
6 in modified district enrollment, divided by modified district enrollment.  
7 For a school, it means the number of low-income pupils recorded in  
8 the registers at that school, divided by the total number of pupils  
9 recorded in the school's registers;

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

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

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

20 "County vocational school, special education services pupil" means  
21 a pupil who is attending a county vocational school and who is  
22 receiving specific services pursuant to chapter 46 of Title 18A of the  
23 New Jersey Statutes;

24 "Debt service" means and includes payments of principal and  
25 interest upon school bonds and other obligations issued to finance the  
26 purchase or construction of school facilities, additions to school  
27 facilities, or the reconstruction, remodeling, alteration, modernization,  
28 renovation or repair of school facilities, including furnishings,  
29 equipment, architect fees and the costs of issuance of such obligations  
30 and shall include payments of principal and interest upon bonds  
31 heretofore issued to fund or refund such obligations, and upon  
32 municipal bonds and other obligations which the commissioner  
33 approves as having been issued for such purposes. Debt service  
34 pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.),  
35 P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177  
36 (C.18A:58-33.2 et seq.) is excluded;

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

43 "District income" for the 1997-98 school year means the aggregate  
44 income of the residents of the taxing district or taxing districts, based  
45 upon data provided by the Bureau of the Census in the United States  
46 Department of Commerce for 1989. Beginning with the 1998-99



1 school year and thereafter, district income means the aggregate  
2 income of the residents of the taxing district or taxing districts, based  
3 upon data provided by the Division of Taxation in the New Jersey  
4 Department of the Treasury and contained on the New Jersey State  
5 Income Tax forms for the calendar year ending prior to the prebudget  
6 year. The commissioner may supplement data contained on the State  
7 Income Tax forms with data available from other State or federal  
8 agencies in order to better correlate the data to that collected on the  
9 federal census. With respect to regional districts and their constituent  
10 districts, however, the district income as described above shall be  
11 allocated among the regional and constituent districts in proportion to  
12 the number of pupils resident in each of them;

13 "Estimated minimum equalized tax rate" for a school district means  
14 the district's required local share divided by its equalized valuation; for  
15 the State it means the sum of the required local shares of all school  
16 districts in the State, excluding county vocational and county special  
17 services school districts as defined pursuant to this section, divided by  
18 the sum of the equalized valuations for all the school districts in the  
19 State except those for which there is no required local share;

20 "Equalized valuation" means the equalized valuation of the taxing  
21 district or taxing districts, as certified by the Director of the Division  
22 of Taxation on October 1, or subsequently revised by the tax court by  
23 January 15, of the prebudget year. With respect to regional districts  
24 and their constituent districts, however, the equalized valuations as  
25 described above shall be allocated among the regional and constituent  
26 districts in proportion to the number of pupils resident in each of them.  
27 In the event that the equalized table certified by the director shall be  
28 revised by the tax court after January 15 of the prebudget year, the  
29 revised valuations shall be used in the recomputation of aid for an  
30 individual school district filing an appeal, but shall have no effect upon  
31 the calculation of the property value multiplier, Statewide equalized  
32 valuation per pupil, estimated minimum equalized tax rate for the  
33 State, or Statewide average equalized school tax rate;

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

37 "Household income" means income as defined in 7CFR 245.2 and  
38 245.6 or any subsequent superseding federal law or regulation;

39 "Lease purchase payment" means and includes payments of  
40 principal and interest for lease purchase agreements in excess of five  
41 years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to  
42 finance the purchase or construction of school facilities, additions to  
43 school facilities, or the reconstruction, remodeling, alteration,  
44 modernization, renovation or repair of school facilities, including  
45 furnishings, equipment, architect fees and issuance costs. Approved  
46 lease purchase agreements in excess of five years shall be accorded the

1 same accounting treatment as school bonds;

2 "Low-income pupils" means those pupils from households with a  
3 household income at or below the most recent federal poverty  
4 guidelines available on October 15 of the prebudget year multiplied by  
5 1.30;

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

9 "Modified district enrollment" means the number of pupils other  
10 than preschool pupils, evening school pupils, post-graduate pupils, and  
11 post-secondary vocational pupils who, on the last school day prior to  
12 October 16, are enrolled in the school district or county vocational  
13 school district; or are resident in the school district or county  
14 vocational school district and are: (1) receiving home instruction, (2)  
15 enrolled in an approved private school for the handicapped, (3)  
16 enrolled in a regional day school, (4) enrolled in a county special  
17 services school district, (5) enrolled in an educational services  
18 commission including an alternative high school program operated by  
19 an educational services commission, (6) enrolled in a State college  
20 demonstration school, (7) enrolled in the Marie H. Katzenbach School  
21 for the Deaf, or (8) enrolled in an alternative high school program in  
22 a county vocational school. Modified district enrollment shall be  
23 based on the prebudget year count for the determination of  
24 concentration of low-income pupils, and shall be projected to the  
25 current year and adjusted pursuant to section 5 of this act when used  
26 in the calculation of aid;

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

30 "Net T&E budget" means the sum of the T&E program budget,  
31 early childhood program aid, demonstrably effective program aid,  
32 instructional supplement aid, transportation aid, and categorical  
33 program aid received pursuant to sections 19 through 22, 28, and 29  
34 of this act;

35 "Prebudget year" means the school fiscal year preceding the year in  
36 which the school budget is implemented;

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

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

47 "Report on the Cost of Providing a Thorough and Efficient

1 Education" or "Report" means the report issued by the Governor  
2 pursuant to section 4 of this act;

3 "Resident enrollment" means the number of pupils other than  
4 preschool pupils, post-graduate pupils, and post-secondary vocational  
5 pupils who, on the last school day prior to October 16 of the current  
6 school year, are residents of the district and are enrolled in: (1) the  
7 public schools of the district, excluding evening schools, (2) another  
8 school district, other than a county vocational school district in the  
9 same county on a full-time basis, or a State college demonstration  
10 school or private school to which the district of residence pays tuition,  
11 or (3) a State facility in which they are placed by the district; or are  
12 residents of the district and are: (1) receiving home instruction, or (2)  
13 in a shared-time vocational program and are regularly attending a  
14 school in the district and a county vocational school district. In  
15 addition, resident enrollment shall include the number of pupils who,  
16 on the last school day prior to October 16 of the prebudget year, are  
17 residents of the district and in a State facility in which they were  
18 placed by the State. Pupils in a shared-time vocational program shall  
19 be counted on an equated full-time basis in accordance with  
20 procedures to be established by the commissioner. Resident  
21 enrollment shall include regardless of nonresidence, the enrolled  
22 children of teaching staff members of the school district or county  
23 vocational school district who are permitted, by contract or local  
24 district policy, to enroll their children in the educational program of  
25 the school district or county vocational school district without  
26 payment of tuition. Handicapped children between three and five  
27 years of age and receiving programs and services pursuant to  
28 N.J.S.18A:46-6 shall be included in the resident enrollment of the  
29 district[.

30 Beginning in 1997-98 and thereafter, resident enrollment shall also  
31 include those nonresident children who are permitted to enroll in the  
32 educational program without payment of tuition as part of a voluntary  
33 program of interdistrict public school choice approved by the  
34 commissioner];

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

38 "School enrollment" means the number of pupils other than  
39 preschool pupils, evening school pupils, post-graduate pupils, and  
40 post-secondary vocational pupils who, on the last school day prior to  
41 October 16 of the current school year, are recorded in the registers of  
42 the school;

43 "Special education services pupils" means a pupil receiving specific  
44 services pursuant to chapter 46 of Title 18A of the New Jersey  
45 Statutes;

46 "Spending growth limitation" means the annual rate of growth  
47 permitted in the net budget of a school district, county vocational

1 school district or county special services school district as measured  
2 between the net budget of the prebudget year and the net budget of the  
3 budget year as calculated pursuant to subsection d. of section 5 of this  
4 act;

5 "Stabilization aid growth limit" means 10% or the rate of growth in  
6 the district's projected resident enrollment over the prebudget year,  
7 whichever is greater. For the 1997-98 school year, this means 8% or  
8 one-half the rate of growth in the district's projected resident  
9 enrollment and preschool enrollment between the October 1991  
10 enrollment report as contained on the district's Application for State  
11 School Aid for 1992-93 and the 1997-98 school year, whichever is  
12 greater. For the 1998-99 and 1999-2000 school years, this means the  
13 greatest of the following: 10%, one-half the district's rate of growth  
14 in projected resident enrollment and preschool enrollment over the  
15 October 1991 enrollment report as contained on the district's  
16 Application for State School Aid for 1992-93, or the district's  
17 projected rate of growth in resident enrollment over the prebudget  
18 year;

19 "State facility" means a State developmental center; a State  
20 Division of Youth and Family Services' residential center; a State  
21 residential mental health center; a DHS Regional Day School; a State  
22 training school / Secure care facility; a State juvenile community  
23 program; a juvenile detention center or a boot camp under the  
24 supervisory authority of the Juvenile Justice Commission pursuant to  
25 P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by  
26 or under contract with the Department of Corrections or Human  
27 Services, or the Juvenile Justice Commission;

28 "Statewide average equalized school tax rate" means the amount  
29 calculated by dividing the general fund tax levy for all school districts,  
30 which excludes county vocational school districts and county special  
31 services school districts as defined pursuant to this section, in the  
32 State for the prebudget year by the equalized valuations certified in the  
33 year prior to the prebudget year of all taxing districts in the State  
34 except taxing districts for which there are no school tax levies;

35 "Statewide equalized valuation per pupil" means the equalized  
36 valuations of all taxing districts having resident enrollment in the  
37 State, divided by the resident enrollment for the State;

38 "T&E amount" means the cost per elementary pupil of delivering  
39 the core curriculum content standards and extracurricular and  
40 cocurricular activities necessary for a thorough regular education  
41 under the assumptions of reasonableness and efficiency contained in  
42 the Report on the Cost of Providing a Thorough and Efficient  
43 Education;

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

46 "T&E program budget" means the sum of core curriculum  
47 standards aid, supplemental core curriculum standards aid,

1 stabilization aid, designated general fund balance, miscellaneous local  
2 general fund revenue and that portion of the district's local levy that  
3 supports the district's T&E budget;

4 "T&E range" means the range of regular education spending which  
5 shall be considered thorough and efficient. The range shall be  
6 expressed in terms of T&E budget spending per elementary pupil, and  
7 shall be delineated by alternatively adding to and subtracting from the  
8 T&E amount the T&E flexible amount;

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

11 (cf: P.L.1999, c.110, s.1)

12

13 12. Section 11 of P.L.1996, c.138 (C.18A:7F-11) is amended to  
14 read as follows:

15 11. The State's core curriculum standards aid contribution for the  
16 1997-98 school year shall be \$2,620,200,000. In subsequent years, the  
17 State's core curriculum standards aid contribution shall be the sum of  
18 the total Statewide core curriculum standards aid calculated pursuant  
19 to section 15 of this act for the prebudget year and prior to the  
20 application of section 10 and school choice aid awarded for pupils  
21 from a sending district that receives core curriculum standards aid  
22 indexed by the sum of 1.0, the CPI, and the State average enrollment  
23 growth percentage between the prebudget year and the budget year as  
24 projected by the commissioner ; except that school choice aid awarded  
25 pursuant to subsection a. of section 7 of P.L. , c. (C. ) (now  
26 pending before the Legislature as this bill) for pupils from a sending  
27 district that receives core curriculum standards aid shall be deducted  
28 from this amount prior to the calculation of each district's core  
29 curriculum standards aid. In calculating the State average enrollment  
30 growth percentage pursuant to this section, enrollment in the  
31 prebudget and budget years shall include resident enrollment used in  
32 the calculation of core curriculum standards aid including school  
33 choice students counted in the weighted enrollment of the sending  
34 district pursuant to section 13 of P.L. 1996, c.138 (C.18A:7F-13) plus  
35 school choice students of the receiving district.

36 (cf: P.L.1996, c.138, s.11)

37

38 13. Section 13 of P.L.1996, c.138 (C.18A:7F-13) is amended to  
39 read as follows:

40 13. a. The weighted enrollment for each school district and each  
41 county vocational school district shall be calculated as follows:

42  $WENR = PW \times PENR + EW \times EENR + MW \times MENR + HW \times HENR$

43 where

44 PW is the T&E weight for kindergarten enrollment;

45 EW is the T&E weight for elementary enrollment;

46 MW is the T&E weight for middle school enrollment;

47 HW is the T&E weight for high school enrollment;

1 PENR is the resident enrollment for kindergarten;  
 2 EENR is the resident enrollment for grades 1-5;  
 3 MENR is the resident enrollment for grades 6 - 8; and  
 4 HENR is the resident enrollment for grades 9 - 12.  
 5 For the purposes of this section, ungraded pupils shall be counted in  
 6 their age-equivalent grade.  
 7 For the purposes of this section, pupils attending a choice district shall  
 8 be counted in the district of residence of the parent or legal guardian  
 9 as follows:  
 10 .75 in the first year of the pupil's attendance;  
 11 .50 in the second year of the pupil's attendance;  
 12 .25 in the third year of the pupil's attendance; and  
 13 .00 in the fourth year of the pupil's attendance.  
 14 b. The maximum T&E budget for each school district and each  
 15 county vocational school district shall be calculated as follows:  
 16  $MAXBUD = (TE + FL) \times WENR$   
 17 where  
 18 TE is the T&E amount; and  
 19 FL is the T&E flexible amount.  
 20 c. The minimum T&E budget for each school district and each  
 21 county vocational school district shall be calculated as follows:  
 22  $MINBUD = (TE - FL) \times WENR$   
 23 except in the case of Abbott districts, in which the minimum T&E  
 24 budget shall equal the maximum T&E budget as calculated pursuant  
 25 to subsection b. of this section  
 26 where  
 27 TE is the T&E amount;  
 28 FL is the T&E flexible amount; and  
 29 WENR is the district's weighted enrollment.  
 30 d. The T&E budget for each school district and each county  
 31 vocational school district shall be calculated for 1997-98 as follows:  
 32  $TEBUD = PBNB \times (1 + CPI) - (CAT + DEP + ECP + IS);$   
 33 provided that TEBUD shall be neither less than MINBUD nor greater  
 34 than MAXBUD and where  
 35 PBNB is the district's prebudget year net budget;  
 36 CAT is the sum of aids calculated in accordance with sections 19,  
 37 20, 21, 22, 25, 28 and 29 of this act;  
 38 DEP is the aid calculated in accordance with section 18 of this act;  
 39 ECP is the aid calculated in accordance with section 16 of this act;  
 40 and  
 41 IS is the aid calculated in accordance with section 18 of this act.  
 42 In subsequent years, the T&E budget shall be calculated as follows:  
 43  $TEBUD = (WENR \times PBNB / PBWENR) \times (1 + CPI) -$   
 44  $(CAT + DEP + ECP + IS);$   
 45 provided that CPI shall not be less than .03 and  
 46 provided that TEBUD shall be neither less than MINBUD nor greater  
 47 than MAXBUD and where

1 PBNB is the district's prebudget year net T&E budget;

2 CAT is the sum of aids payable in accordance with sections 19, 20,  
3 21, 22, 25, 28 and 29 of this act;

4 DEP is the aid payable in accordance with section 18 of this act;

5 ECP is the aid payable in accordance with section 16 of this act;

6 and

7 IS is the aid payable in accordance with section 18 of this act;

8 WENR is the district's weighted enrollment; and

9 PBWENR is the district's weighted enrollment for the prebudget  
10 year.

11 (cf: P.L.1996, c.138, s.13)

12

13 14. (New section) a. There shall annually be appropriated for the  
14 first two years of the choice program \$1,600,000 and annually for the  
15 third through fifth years of the program \$3,000,000, or such other  
16 amounts as may be necessary, to the Department of Education. The  
17 funds shall be distributed by the commissioner for the purpose of  
18 funding school choice aid awarded pursuant to subsection a. of section  
19 7 of P.L. , c. (C. ) (now pending before the Legislature as  
20 this bill) for choice students from a sending district that does not  
21 qualify for core curriculum standards aid pursuant to section 15 of  
22 P.L.1996, c.138 (C.18A:7F-15).

23 b. There shall annually be appropriated such additional amounts in  
24 core curriculum standards aid as may be necessary to prevent any  
25 increase in the local share of school districts as a result of the  
26 authorization for sending districts to count resident pupils attending  
27 a choice district in their weighted enrollment pursuant to section 13 of  
28 P.L.1996, c.138 (C.18A:7F-13).

29

30 15. (New section) Any student enrolled in a designated school in  
31 a choice district upon the expiration of the choice program shall be  
32 entitled to remain enrolled in that school until graduation.

33

34 <sup>1</sup>16. (New section) Any school choice district established by the  
35 commissioner prior to the effective date of this act is authorized to  
36 continue operation as if the choice district had been approved pursuant  
37 to the provisions of this act. The commissioner shall not, prior to the  
38 effective date of section 11 of this act, approve any additional choice  
39 districts or modify or increase the scope of the interdistrict public  
40 school choice programs in the choice districts except in conformance  
41 with sections 4 and 5 of this act.<sup>1</sup>

42

43 <sup>1</sup>**[16.] 17.**<sup>11</sup> Sections 1-10 and 12-15 of this act shall take effect  
44 immediately; section 11 of this act shall take effect one year after the  
45 date of enactment; sections 1 through 10 inclusive shall expire on June  
46 30 following the fifth full year of the operation of the interdistrict  
47 public school choice program.

1

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2

3 The "Interdistrict Public School Choice Program Act of 1999";

4 appropriates \$1.6 million.



**SENATE, No. 2171**

**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

INTRODUCED OCTOBER 18, 1999

**Sponsored by:**

**Senator ROBERT J. MARTIN**

**District 26 (Essex, Morris and Passaic)**

**SYNOPSIS**

The "Interdistrict Public School Choice Program Act of 1999"; appropriates \$1.6 million.

**CURRENT VERSION OF TEXT**

As introduced.



S2171 MARTIN

2

1 AN ACT establishing an interdistrict public school choice program,  
2 supplementing Title 18A of the New Jersey Statutes, amending  
3 P.L.1996, c.138, and making an appropriation.

4

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

7

8 1. (New section) This act shall be known and may be cited as the  
9 "Interdistrict Public School Choice Program Act of 1999."

10

11 2. (New section) As used in this act:

12 "Choice district" means a public school district which is authorized  
13 under the interdistrict public school choice program to open a school  
14 or schools to students from sending districts;

15 "Commissioner" means the Commissioner of Education;

16 "Receiving district" means the district receiving a student from a  
17 sending district;

18 "Sending district" means the district of residence of a student.

19

20 3. (New section) The Commissioner of Education shall establish  
21 an interdistrict public school choice program which shall provide for  
22 the creation of choice districts as follows: for the first year of the  
23 program, no more than 10 choice districts Statewide and no more than  
24 one per county; for the second year, no more than 15 choice districts  
25 Statewide and no more than one per county; and for the third, fourth  
26 and fifth years, no more than 21 choice districts Statewide and no  
27 more than one per county A choice district may enroll students across  
28 district lines in designated schools of the choice district.

29

30 4. (New section) a. A proposed choice district shall submit an  
31 application to the commissioner no later than April 30 in the year prior  
32 to the school year in which the choice program will be implemented;  
33 except that for the first year of implementation of the program the  
34 application shall be submitted no later than the date specified by the  
35 commissioner. The application shall include, but not be limited to, the  
36 following information:

37 (1) a description of programs and schools and the number of  
38 student openings in each school identified by grade level which are  
39 available for selection;

40 (2) the provision for the creation of a parent information center;

41 (3) a description of the student application process and any criteria  
42 required for admission;

43 (4) an analysis of the potential impact of the program on student

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

**Matter underlined thus is new matter.**

1 population diversity in all potential participating districts and a plan for  
2 maintaining diversity in all potential participating districts, which plan  
3 shall not be used to supersede a court-ordered or administrative court-  
4 ordered desegregation plan; and

5 (5) the provision for screening out students during the application  
6 process who wish to attend a school for athletic, extracurricular or  
7 social reasons.

8 The commissioner shall notify a choice district of the approval or  
9 disapproval of its application no later than July 30, and the reasons for  
10 disapproval shall be included in the notice. An appeal of any  
11 determination by the commissioner not to grant an application for  
12 participation in the choice program may be filed by a school district  
13 with the State Board of Education.

14 b. The commissioner may take appropriate action, consistent with  
15 State and federal law, to provide that student population diversity in  
16 all districts participating in a choice district program is maintained.  
17 Student population diversity shall include, but not be limited to, the  
18 ethnic, racial, economic, and geographic diversity of a district's  
19 student population. The actions may include, but not be limited to:

20 (1) directing a choice district to take appropriate steps to  
21 successfully implement the district's plan for maintaining student  
22 population diversity;

23 (2) restricting the number of choice students from a sending district  
24 or the authority of a choice district to accept choice students in the  
25 future; and

26 (3) revoking approval of the choice district. Any choice student  
27 who is attending a designated school in a choice district at the time of  
28 the commissioner's revocation of approval shall be entitled to continue  
29 to be enrolled in that school until graduation.

30  
31 5. (New section) The commissioner shall evaluate an application  
32 submitted by a proposed choice district according to the following  
33 criteria:

34 a. the fiscal impact on the district;

35 b. the quality and variety of academic programs offered within the  
36 district;

37 c. the potential effectiveness of the student application process and  
38 of the admissions criteria utilized;

39 d. the impact on student population diversity in the district; and

40 e. the degree to which the program will promote or reduce  
41 educational quality in the choice district and the sending districts.

42  
43 6. (New section) a. The parents or guardian of a student shall  
44 notify the sending district of the student's intention to participate in the  
45 choice program and shall submit an application to the choice district,  
46 indicating the school the student wishes to attend, no later than the

1 date specified by the commissioner. To be eligible to participate in the  
2 program, a student shall be enrolled at the time of application in  
3 grades K through 9 in a school of the sending district and have  
4 attended school in the sending district for at least one full year  
5 immediately preceding enrollment in the choice district. Openings in  
6 a designated school of a choice district shall be on a space available  
7 basis, and if more applications are received for a designated school  
8 than there are spaces available, a lottery shall be held to determine the  
9 selection of students. Preference for enrollment may be given to  
10 siblings of students who are enrolled in a designated school.

11 b. A choice district may evaluate a prospective student on  
12 reasonable criteria, including the student's interest in the program  
13 offered by a designated school. The district shall not discriminate in  
14 its admission policies or practices on the basis of athletic ability,  
15 intellectual aptitude, English language proficiency, status as a  
16 handicapped person, or any other basis prohibited by State or federal  
17 law.

18 c. A choice district shall not prohibit the enrollment of a student  
19 based upon a determination that the additional cost of educating the  
20 student would exceed the amount of additional State aid received as  
21 a result of the student's enrollment. A choice district may reject the  
22 application for enrollment of a student who has been classified as  
23 eligible for special education services pursuant to chapter 46 of Title  
24 18A of the New Jersey Statutes if that student's individualized  
25 education program could not be implemented in the district, or if the  
26 enrollment of that student would require the district to fundamentally  
27 alter the nature of its educational program, or would create an undue  
28 financial or administrative burden on the district.

29 d. A student whose application is rejected by a choice district shall  
30 be provided with a reason for the rejection in the letter of notice. The  
31 appeal of a rejection notice may be made to the commissioner.

32 e. Once a student is enrolled in a designated school, the student  
33 shall not be required to reapply for each school year and shall continue  
34 to be enrolled until graduation. A student shall be permitted to  
35 transfer back to a school of the sending district or may apply to a  
36 different choice district during the next application period.

37 f. A choice district shall accept all of the credits earned toward  
38 graduation by a student in the schools of the sending district.

39 g. A choice district shall notify a sending district upon the  
40 enrollment of a choice student resident in that district.

41

42 7. (New section) a. For the purpose of calculating State aid for  
43 a choice student in a choice district, the student shall not be counted  
44 in the resident enrollment of the receiving district for the calculation  
45 of core curriculum standards aid, but shall be treated in the same  
46 manner as a student who resides in the receiving district for purpose

1 of calculating all other forms of State aid under the "Comprehensive  
2 Educational Improvement and Financing Act of 1996," P.L.1996,  
3 c.138 (C.18A:7F-1 et seq.). The receiving district shall receive school  
4 choice aid for each choice student in the amount of the weighted per  
5 pupil T & E amount established pursuant to section 12 of P.L.1996,  
6 c.138 (C.18A:7F-12); except that for a choice student who attends a  
7 district factor group A or B receiving district, the receiving district  
8 shall receive the weighted per pupil maximum T & E amount.

9 b. (1) Upon adoption of a resolution, the school board of a sending  
10 district may restrict enrollment of its students in a choice district to  
11 2% or greater of the number of students per grade level per year in  
12 the sending district, limited by any resolution adopted pursuant to  
13 paragraph (2) of this subsection.

14 (2) Upon adoption of a resolution, the school board of a sending  
15 district may restrict enrollment of its students in a choice district to  
16 7% or greater of the total number of students enrolled in the sending  
17 district.

18 (3) The calculation of the enrollment of a sending district shall be  
19 based on the enrollment count as reported on the Application for State  
20 School Aid in October preceding the school year during which the  
21 restriction on enrollment shall be applicable.

22 c. The school board of a sending district may restrict enrollment of  
23 a student on the basis of an exceptional circumstance that would affect  
24 the sending district's instructional program upon the adoption of a  
25 resolution detailing the reasons for the restriction. The restriction  
26 shall be subject to the approval of the commissioner.

27 d. A choice district shall not be eligible to enroll students on a  
28 tuition basis pursuant to N.J.S.18A:38-3 while participating in the  
29 public school choice program. Any student enrolled on a tuition basis  
30 prior to the establishment of the choice program shall be entitled to  
31 remain enrolled in the choice district as a choice student.

32  
33 8. (New section) Transportation, or aid in lieu of transportation,  
34 shall be provided to an elementary school pupil who lives more than  
35 two miles from the receiving district school of attendance and to a  
36 secondary school pupil who lives more than two and one-half miles  
37 from the receiving district school of attendance, provided the  
38 receiving district school is not more than 20 miles from the residence  
39 of the pupil. Transportation, or aid in lieu of transportation, shall be  
40 the responsibility of the choice district.

41  
42 9. (New section) A choice district shall establish and maintain a  
43 parent information center. The center shall collect and disseminate  
44 information about participating programs and schools and shall assist  
45 parents and guardians in submitting applications for enrollment of  
46 students in an appropriate program and school.

1       10. (New section) a. The commissioner shall annually report to  
2 the State Board of Education and the Legislature on the effectiveness  
3 of the interdistrict public school choice program. No later than June  
4 30 following the second year of the operation of the program the  
5 report shall include a recommendation on the continuation of the  
6 program.

7       b. The Joint Committee on the Public Schools shall commission an  
8 independent study of the first two years of the operation of the  
9 program. The study shall be conducted by an individual or entity  
10 primarily identified with expertise in the field of education. The  
11 individual or entity shall design a comprehensive study of the program  
12 which shall include, but not be limited to, consideration of the  
13 following:

14       (1) the impact of the choice program on the sending district's  
15 students, staff, parents, educational programs, and finances;

16       (2) the impact of the choice program on the choice district's  
17 students, staff, parents, educational programs, and finances; and

18       (3) the impact of the choice program on student enrollment  
19 patterns.

20       Before undertaking the study, the Joint Committee on the Public  
21 Schools shall hold a public hearing to solicit public comments  
22 regarding all features of the study. Prior to the hearing, the committee  
23 shall disseminate a draft of the proposed study including, but not  
24 limited to, the content, procedures, criteria and methodology to be  
25 used.

26       c. On or before January 1 of the third year of the program, the  
27 Joint Committee on the Public Schools shall submit a report to the  
28 Legislature on the implementation of the choice program based on the  
29 study and the commissioner's annual reports to the Legislature, which  
30 report shall include a recommendation on whether the program should  
31 be continued in accordance with the provisions of section 3 of this  
32 act. If the Legislature does not act on the recommendation by the  
33 adoption of a concurrent resolution within 60 days of the Joint  
34 Committee's submission of the report, then the program shall be  
35 continued in accordance with the provisions of section 3 of this act.  
36

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

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

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

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

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

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

9 "Commissioner" means the Commissioner of Education;

10 "Concentration of low-income pupils" shall be based on prebudget  
11 year pupil data and means, for a school district or a county vocational  
12 school district, the number of low-income pupils among those counted  
13 in modified district enrollment, divided by modified district enrollment.  
14 For a school, it means the number of low-income pupils recorded in  
15 the registers at that school, divided by the total number of pupils  
16 recorded in the school's registers;

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

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

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

27 "County vocational school, special education services pupil" means  
28 a pupil who is attending a county vocational school and who is  
29 receiving specific services pursuant to chapter 46 of Title 18A of the  
30 New Jersey Statutes;

31 "Debt service" means and includes payments of principal and  
32 interest upon school bonds and other obligations issued to finance the  
33 purchase or construction of school facilities, additions to school  
34 facilities, or the reconstruction, remodeling, alteration, modernization,  
35 renovation or repair of school facilities, including furnishings,  
36 equipment, architect fees and the costs of issuance of such obligations  
37 and shall include payments of principal and interest upon bonds  
38 heretofore issued to fund or refund such obligations, and upon  
39 municipal bonds and other obligations which the commissioner  
40 approves as having been issued for such purposes. Debt service  
41 pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.),  
42 P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177  
43 (C.18A:58-33.2 et seq.) is excluded;

44 "District factor group A district" means a school district, other than  
45 an Abbott district or a school district in which the equalized valuation  
46 per pupil is more than twice the average Statewide equalized valuation

1 per pupil and in which resident enrollment exceeds 2,000 pupils, which  
2 based on the 1990 federal census data is included within the  
3 Department of Education's district factor group A;

4 "District income" for the 1997-98 school year means the aggregate  
5 income of the residents of the taxing district or taxing districts, based  
6 upon data provided by the Bureau of the Census in the United States  
7 Department of Commerce for 1989. Beginning with the 1998-99  
8 school year and thereafter, district income means the aggregate  
9 income of the residents of the taxing district or taxing districts, based  
10 upon data provided by the Division of Taxation in the New Jersey  
11 Department of the Treasury and contained on the New Jersey State  
12 Income Tax forms for the calendar year ending prior to the prebudget  
13 year. The commissioner may supplement data contained on the State  
14 Income Tax forms with data available from other State or federal  
15 agencies in order to better correlate the data to that collected on the  
16 federal census. With respect to regional districts and their constituent  
17 districts, however, the district income as described above shall be  
18 allocated among the regional and constituent districts in proportion to  
19 the number of pupils resident in each of them;

20 "Estimated minimum equalized tax rate" for a school district means  
21 the district's required local share divided by its equalized valuation; for  
22 the State it means the sum of the required local shares of all school  
23 districts in the State, excluding county vocational and county special  
24 services school districts as defined pursuant to this section, divided by  
25 the sum of the equalized valuations for all the school districts in the  
26 State except those for which there is no required local share;

27 "Equalized valuation" means the equalized valuation of the taxing  
28 district or taxing districts, as certified by the Director of the Division  
29 of Taxation on October 1, or subsequently revised by the tax court by  
30 January 15, of the prebudget year. With respect to regional districts  
31 and their constituent districts, however, the equalized valuations as  
32 described above shall be allocated among the regional and constituent  
33 districts in proportion to the number of pupils resident in each of them.  
34 In the event that the equalized table certified by the director shall be  
35 revised by the tax court after January 15 of the prebudget year, the  
36 revised valuations shall be used in the recomputation of aid for an  
37 individual school district filing an appeal, but shall have no effect upon  
38 the calculation of the property value multiplier, Statewide equalized  
39 valuation per pupil, estimated minimum equalized tax rate for the  
40 State, or Statewide average equalized school tax rate;

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

44 "Household income" means income as defined in 7CFR 245.2 and  
45 245.6 or any subsequent superseding federal law or regulation;

46 "Lease purchase payment" means and includes payments of



1 principal and interest for lease purchase agreements in excess of five  
2 years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to  
3 finance the purchase or construction of school facilities, additions to  
4 school facilities, or the reconstruction, remodeling, alteration,  
5 modernization, renovation or repair of school facilities, including  
6 furnishings, equipment, architect fees and issuance costs. Approved  
7 lease purchase agreements in excess of five years shall be accorded the  
8 same accounting treatment as school bonds;

9 "Low-income pupils" means those pupils from households with a  
10 household income at or below the most recent federal poverty  
11 guidelines available on October 15 of the prebudget year multiplied by  
12 1.30;

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

16 "Modified district enrollment" means the number of pupils other  
17 than preschool pupils, evening school pupils, post-graduate pupils, and  
18 post-secondary vocational pupils who, on the last school day prior to  
19 October 16, are enrolled in the school district or county vocational  
20 school district; or are resident in the school district or county  
21 vocational school district and are: (1) receiving home instruction, (2)  
22 enrolled in an approved private school for the handicapped, (3)  
23 enrolled in a regional day school, (4) enrolled in a county special  
24 services school district, (5) enrolled in an educational services  
25 commission including an alternative high school program operated by  
26 an educational services commission, (6) enrolled in a State college  
27 demonstration school, (7) enrolled in the Marie H. Katzenbach School  
28 for the Deaf, or (8) enrolled in an alternative high school program in  
29 a county vocational school. Modified district enrollment shall be  
30 based on the prebudget year count for the determination of  
31 concentration of low-income pupils, and shall be projected to the  
32 current year and adjusted pursuant to section 5 of this act when used  
33 in the calculation of aid;

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

37 "Net T&E budget" means the sum of the T&E program budget,  
38 early childhood program aid, demonstrably effective program aid,  
39 instructional supplement aid, transportation aid, and categorical  
40 program aid received pursuant to sections 19 through 22, 28, and 29  
41 of this act;

42 "Prebudget year" means the school fiscal year preceding the year in  
43 which the school budget is implemented;

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

1 "Prebudget year net budget" for the 1997-98 school year means the  
2 sum of the foundation aid, transition aid, transportation aid, special  
3 education aid, bilingual education aid, aid for at-risk pupils,  
4 technology aid, and county vocational program aid received by a  
5 school district or county vocational school district in the 1996-97  
6 school year pursuant to P.L.1996, c.42, and the district's local levy for  
7 the general fund;

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

11 "Resident enrollment" means the number of pupils other than  
12 preschool pupils, post-graduate pupils, and post-secondary vocational  
13 pupils who, on the last school day prior to October 16 of the current  
14 school year, are residents of the district and are enrolled in: (1) the  
15 public schools of the district, excluding evening schools, (2) another  
16 school district, other than a county vocational school district in the  
17 same county on a full-time basis, or a State college demonstration  
18 school or private school to which the district of residence pays tuition,  
19 or (3) a State facility in which they are placed by the district; or are  
20 residents of the district and are: (1) receiving home instruction, or (2)  
21 in a shared-time vocational program and are regularly attending a  
22 school in the district and a county vocational school district. In  
23 addition, resident enrollment shall include the number of pupils who,  
24 on the last school day prior to October 16 of the prebudget year, are  
25 residents of the district and in a State facility in which they were  
26 placed by the State. Pupils in a shared-time vocational program shall  
27 be counted on an equated full-time basis in accordance with  
28 procedures to be established by the commissioner. Resident  
29 enrollment shall include regardless of nonresidence, the enrolled  
30 children of teaching staff members of the school district or county  
31 vocational school district who are permitted, by contract or local  
32 district policy, to enroll their children in the educational program of  
33 the school district or county vocational school district without  
34 payment of tuition. Handicapped children between three and five  
35 years of age and receiving programs and services pursuant to  
36 N.J.S.18A:46-6 shall be included in the resident enrollment of the  
37 district[.

38 Beginning in 1997-98 and thereafter, resident enrollment shall also  
39 include those nonresident children who are permitted to enroll in the  
40 educational program without payment of tuition as part of a voluntary  
41 program of interdistrict public school choice approved by the  
42 commissioner];

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

46 "School enrollment" means the number of pupils other than

1 preschool pupils, evening school pupils, post-graduate pupils, and  
2 post-secondary vocational pupils who, on the last school day prior to  
3 October 16 of the current school year, are recorded in the registers of  
4 the school;

5 "Special education services pupils" means a pupil receiving specific  
6 services pursuant to chapter 46 of Title 18A of the New Jersey  
7 Statutes;

8 "Spending growth limitation" means the annual rate of growth  
9 permitted in the net budget of a school district, county vocational  
10 school district or county special services school district as measured  
11 between the net budget of the prebudget year and the net budget of the  
12 budget year as calculated pursuant to subsection d. of section 5 of this  
13 act;

14 "Stabilization aid growth limit" means 10% or the rate of growth in  
15 the district's projected resident enrollment over the prebudget year,  
16 whichever is greater. For the 1997-98 school year, this means 8% or  
17 one-half the rate of growth in the district's projected resident  
18 enrollment and preschool enrollment between the October 1991  
19 enrollment report as contained on the district's Application for State  
20 School Aid for 1992-93 and the 1997-98 school year, whichever is  
21 greater. For the 1998-99 and 1999-2000 school years, this means the  
22 greatest of the following: 10%, one-half the district's rate of growth  
23 in projected resident enrollment and preschool enrollment over the  
24 October 1991 enrollment report as contained on the district's  
25 Application for State School Aid for 1992-93, or the district's  
26 projected rate of growth in resident enrollment over the prebudget  
27 year;

28 "State facility" means a State developmental center; a State  
29 Division of Youth and Family Services' residential center; a State  
30 residential mental health center; a DHS Regional Day School; a State  
31 training school / Secure care facility; a State juvenile community  
32 program; a juvenile detention center or a boot camp under the  
33 supervisory authority of the Juvenile Justice Commission pursuant to  
34 P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by  
35 or under contract with the Department of Corrections or Human  
36 Services, or the Juvenile Justice Commission;

37 "Statewide average equalized school tax rate" means the amount  
38 calculated by dividing the general fund tax levy for all school districts,  
39 which excludes county vocational school districts and county special  
40 services school districts as defined pursuant to this section, in the  
41 State for the prebudget year by the equalized valuations certified in the  
42 year prior to the prebudget year of all taxing districts in the State  
43 except taxing districts for which there are no school tax levies;

44 "Statewide equalized valuation per pupil" means the equalized  
45 valuations of all taxing districts having resident enrollment in the  
46 State, divided by the resident enrollment for the State;

1 "T&E amount" means the cost per elementary pupil of delivering  
2 the core curriculum content standards and extracurricular and  
3 cocurricular activities necessary for a thorough regular education  
4 under the assumptions of reasonableness and efficiency contained in  
5 the Report on the Cost of Providing a Thorough and Efficient  
6 Education;

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

9 "T&E program budget" means the sum of core curriculum  
10 standards aid, supplemental core curriculum standards aid,  
11 stabilization aid, designated general fund balance, miscellaneous local  
12 general fund revenue and that portion of the district's local levy that  
13 supports the district's T&E budget;

14 "T&E range" means the range of regular education spending which  
15 shall be considered thorough and efficient. The range shall be  
16 expressed in terms of T&E budget spending per elementary pupil, and  
17 shall be delineated by alternatively adding to and subtracting from the  
18 T&E amount the T&E flexible amount;

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

21 (cf: P.L.1999, c.110, s.1)

22

23 12. Section 11 of P.L.1996, c.138 (C.18A:7F-11) is amended to  
24 read as follows:

25 11. The State's core curriculum standards aid contribution for the  
26 1997-98 school year shall be \$2,620,200,000. In subsequent years, the  
27 State's core curriculum standards aid contribution shall be the sum of  
28 the total Statewide core curriculum standards aid calculated pursuant  
29 to section 15 of this act for the prebudget year and prior to the  
30 application of section 10 and school choice aid awarded for pupils  
31 from a sending district that receives core curriculum standards aid  
32 indexed by the sum of 1.0, the CPI, and the State average enrollment  
33 growth percentage between the prebudget year and the budget year as  
34 projected by the commissioner ; except that school choice aid awarded  
35 pursuant to subsection a. of section 7 of P.L. , c. (C. ) (now  
36 pending before the Legislature as this bill) for pupils from a sending  
37 district that receives core curriculum standards aid shall be deducted  
38 from this amount prior to the calculation of each district's core  
39 curriculum standards aid. In calculating the State average enrollment  
40 growth percentage pursuant to this section, enrollment in the  
41 prebudget and budget years shall include resident enrollment used in  
42 the calculation of core curriculum standards aid including school  
43 choice students counted in the weighted enrollment of the sending  
44 district pursuant to section 13 of P.L. 1996, c.138 (C.18A:7F-13) plus  
45 school choice students of the receiving district.

46 (cf: P.L.1996, c.138, s.11)

1 13. Section 13 of P.L.1996, c.138 (C.18A:7F-13) is amended to  
2 read as follows:

3 13. a. The weighted enrollment for each school district and each  
4 county vocational school district shall be calculated as follows:

$$5 \text{ WENR} = \text{PW} \times \text{PENR} + \text{EW} \times \text{EENR} + \text{MW} \times \text{MENR} + \text{HW} \times \text{HENR}$$

6 where

7 PW is the T&E weight for kindergarten enrollment;

8 EW is the T&E weight for elementary enrollment;

9 MW is the T&E weight for middle school enrollment;

10 HW is the T&E weight for high school enrollment;

11 PENR is the resident enrollment for kindergarten;

12 EENR is the resident enrollment for grades 1-5;

13 MENR is the resident enrollment for grades 6 - 8; and

14 HENR is the resident enrollment for grades 9 - 12.

15 For the purposes of this section, ungraded pupils shall be counted in  
16 their age-equivalent grade.

17 For the purposes of this section, pupils attending a choice district shall  
18 be counted in the district of residence of the parent or legal guardian  
19 as follows:

20 .75 in the first year of the pupil's attendance;

21 .50 in the second year of the pupil's attendance;

22 .25 in the third year of the pupil's attendance; and

23 .00 in the fourth year of the pupil's attendance.

24 b. The maximum T&E budget for each school district and each  
25 county vocational school district shall be calculated as follows:

$$26 \text{ MAXBUD} = (\text{TE} + \text{FL}) \times \text{WENR}$$

27 where

28 TE is the T&E amount; and

29 FL is the T&E flexible amount.

30 c. The minimum T&E budget for each school district and each  
31 county vocational school district shall be calculated as follows:

$$32 \text{ MINBUD} = (\text{TE} - \text{FL}) \times \text{WENR}$$

33 except in the case of Abbott districts, in which the minimum T&E  
34 budget shall equal the maximum T&E budget as calculated pursuant  
35 to subsection b. of this section

36 where

37 TE is the T&E amount;

38 FL is the T&E flexible amount; and

39 WENR is the district's weighted enrollment.

40 d. The T&E budget for each school district and each county  
41 vocational school district shall be calculated for 1997-98 as follows:

$$42 \text{ TEBUD} = \text{PBNB} \times (1 + \text{CPI}) - (\text{CAT} + \text{DEP} + \text{ECP} + \text{IS});$$

43 provided that TEBUD shall be neither less than MINBUD nor greater  
44 than MAXBUD and where

45 PBNB is the district's prebudget year net budget;

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14

1 CAT is the sum of aids calculated in accordance with sections 19,  
2 20, 21, 22, 25, 28 and 29 of this act;

3 DEP is the aid calculated in accordance with section 18 of this act;

4 ECP is the aid calculated in accordance with section 16 of this act;

5 and

6 IS is the aid calculated in accordance with section 18 of this act.

7 In subsequent years, the T&E budget shall be calculated as follows:

8  $TEBUD = (WENR \times PBNB/PBWENR) \times (1 + CPI) -$   
9  $(CAT+DEP+ECP+IS);$

10 provided that CPI shall not be less than .03 and

11 provided that TEBUD shall be neither less than MINBUD nor greater  
12 than MAXBUD and where

13 PBNB is the district's prebudget year net T&E budget;

14 CAT is the sum of aids payable in accordance with sections 19, 20,  
15 21, 22, 25, 28 and 29 of this act;

16 DEP is the aid payable in accordance with section 18 of this act;

17 ECP is the aid payable in accordance with section 16 of this act;

18 and

19 IS is the aid payable in accordance with section 18 of this act;

20 WENR is the district's weighted enrollment; and

21 PBWENR is the district's weighted enrollment for the prebudget  
22 year.

23 (cf: P.L.1996, c.138, s.13)

24

25 14. (New section) a. There shall annually be appropriated for the  
26 first two years of the choice program \$1,600,000 and annually for the  
27 third through fifth years of the program \$3,000,000, or such other  
28 amounts as may be necessary, to the Department of Education. The  
29 funds shall be distributed by the commissioner for the purpose of  
30 funding school choice aid awarded pursuant to subsection a. of section  
31 7 of P.L. , c. (C. ) (now pending before the Legislature as  
32 this bill) for choice students from a sending district that does not  
33 qualify for core curriculum standards aid pursuant to section 15 of  
34 P.L.1996, c.138 (C.18A:7F-15).

35 b. There shall annually be appropriated such additional amounts in  
36 core curriculum standards aid as may be necessary to prevent any  
37 increase in the local share of school districts as a result of the  
38 authorization for sending districts to count resident pupils attending  
39 a choice district in their weighted enrollment pursuant to section 13 of  
40 P.L.1996, c.138 (C.18A:7F-13).

41

42 15. (New section) Any student enrolled in a designated school in  
43 a choice district upon the expiration of the choice program shall be  
44 entitled to remain enrolled in that school until graduation.

45

46 16. Sections 1-10 and 12-15 of this act shall take effect

1 immediately; section 11 of this act shall take effect one year after the  
2 date of enactment; sections 1 through 10 inclusive shall expire on June  
3 30 following the fifth full year of the operation of the interdistrict  
4 public school choice program.

5  
6  
7 STATEMENT  
8

9 This bill directs the Commissioner of Education to establish an  
10 interdistrict public school choice program that would provide for the  
11 creation of choice districts which could enroll students across district  
12 lines in designated schools of the choice district. The number of  
13 choice districts would be limited as follows: for the first year of the  
14 program, no more than 10 choice districts Statewide and no more than  
15 one per county; for the second year, no more than 15 choice districts  
16 Statewide and no more than one per county; and for the third, fourth  
17 and fifth years, no more than 21 choice districts Statewide and no  
18 more than one per county.

19 A school district electing to participate in the program would  
20 submit an application to the commissioner no later than April 30 in the  
21 year prior to the school year in which the choice program would be  
22 implemented, and the commissioner would notify an applicant district  
23 of the approval or disapproval of its application no later than July 30.  
24 The commissioner is authorized to take appropriate action, consistent  
25 with State and federal law, to provide that student population diversity  
26 in all districts participating in a choice district program is maintained.  
27 Under the bill, student population diversity includes, but is not limited  
28 to, the ethnic, racial, economic, and geographic diversity of a district's  
29 student population.

30 A proposed choice district's application would be evaluated by the  
31 commissioner using such criteria as the fiscal impact on the district,  
32 the quality and variety of academic programs offered within the  
33 district, and the degree to which the program will promote or reduce  
34 educational quality in the choice district and the sending districts.

35 The parents or guardian of a student would notify the sending  
36 district of the student's intention to participate in the choice program  
37 and submit an application to the choice district, indicating the school  
38 the student wishes to attend. To be eligible to participate in the  
39 program, a student must be enrolled at the time of application in  
40 grades K through 9 in a school of the sending district and have  
41 attended school in the sending district for at least one full year  
42 immediately preceding enrollment in the choice district. Openings in  
43 a designated school of a choice district would be on a space available  
44 basis, and if more applications are received for a designated school  
45 than there are spaces available, a lottery would be held to determine  
46 the selection of students. Preference for enrollment may be given to

1 siblings of students who are enrolled in a designated school.

2 A choice district would be permitted to evaluate a prospective  
3 student on reasonable criteria, including the student's interest in the  
4 program offered by a designated school. The district may not,  
5 however, discriminate in its admission policies or practices on the  
6 basis of athletic ability, intellectual aptitude, English language  
7 proficiency, status as a handicapped person, or any other basis  
8 prohibited by State or federal law.

9 In addition, a choice district could not prohibit the enrollment of a  
10 student based upon a determination that the additional cost of  
11 educating the student would exceed the amount of additional State aid  
12 received as a result of the student's enrollment. A choice district may  
13 reject the application for enrollment of a student who has been  
14 classified as eligible for special education services if that student's  
15 individualized education program could not be implemented in the  
16 district, or if the enrollment of that student would require the district  
17 to fundamentally alter the nature of its educational program, or would  
18 create an undue financial or administrative burden on the district.

19 For the purposes of calculating State aid for a choice student in a  
20 choice district, the student would be counted in the resident enrollment  
21 of the receiving district for all forms of State aid except core  
22 curriculum standards aid. The receiving district would receive "School  
23 Choice Aid" in the amount of the weighted per pupil T & E amount;  
24 except that in the case of a choice student who attends a district factor  
25 group A or B receiving district, the receiving district will receive the  
26 weighted per pupil maximum T & E amount. In addition, the sending  
27 district would count a choice student in its weighted enrollment for the  
28 purposes of determining core curriculum standards aid according to  
29 the following formula: the student would be counted as .75 in the first  
30 year; .50 in the second year; .25 in the third year; and .00 in the fourth  
31 year.

32 Upon adoption of a resolution, the school board of a sending  
33 district could restrict enrollment of its students in a choice district to  
34 2% or greater of the number of students per grade level per year in  
35 the sending district or to 7% or greater of the total number of students  
36 enrolled in the sending district.

37 Transportation, or aid in lieu of transportation, would be provided  
38 to an elementary school pupil who lives more than two miles from the  
39 receiving district school of attendance and to a secondary school pupil  
40 who lives more than two and one-half miles from the receiving district  
41 school of attendance, provided the receiving district school is not more  
42 than 20 miles from the residence of the pupil. Transportation, or aid  
43 in lieu of transportation, would be the responsibility of the choice  
44 district.

45 A choice district is required to establish and maintain a parent  
46 information center. The center would collect and disseminate



1 information about participating programs and schools and assist  
2 parents and guardians in submitting applications for enrollment of  
3 students in an appropriate program and school.

4 Under the bill, the commissioner must report annually to the State  
5 Board of Education and the Legislature on the effectiveness of the  
6 interdistrict public school choice program. In addition, the Joint  
7 Committee on the Public Schools is directed to commission an  
8 independent study of the first two years of the operation of the  
9 program. The study would be conducted by an individual or entity  
10 primarily identified with expertise in the field of education. Before  
11 undertaking the study, the Joint Committee must hold a public hearing  
12 to solicit public comments regarding all features of the study. On or  
13 before January 1 of the third year of the program, the Joint Committee  
14 would submit a report to the Legislature on the implementation of the  
15 choice program based on the study and the commissioner's annual  
16 reports. The report would include a recommendation on whether the  
17 program should be continued through the fifth year. If the Legislature  
18 did not act on the recommendation by the adoption of a concurrent  
19 resolution within 60 days of the submission of the report, the program  
20 would be continued as provided in the bill.

21 The bill provides for an appropriation of \$1,600,000 annually for  
22 the first two years and \$3,000,000 for the third through fifth years to  
23 the Department of Education, or such other amounts as may be  
24 necessary, for the purpose of funding school choice aid for students  
25 from sending districts that do not qualify for core curriculum standards  
26 aid. The bill also specifies that there shall annually be appropriated  
27 such additional amounts in core curriculum standards aid as may be  
28 necessary to prevent any increase in the local share of school districts  
29 as a result of the authorization for sending districts to count choice  
30 students in their weighted resident enrollment for a three-year period.

31 The sections of the bill which provide for the establishment of the  
32 school choice program would expire on June 30 following the fifth full  
33 year of the operation of the program.

STATEMENT TO  
**SENATE, No. 2171**

with Senate Floor Amendments  
(Proposed By Senator MARTIN)

ADOPTED: DECEMBER 6, 1999

These amendments: 1) specify that only local and regional school districts may participate in the choice program; 2) provide that the percentage limitation applicable to grades may be increased by resolution from 2% to a maximum of 10% and the percentage limitation applicable to total enrollment may be increased from 7% to 15%, only upon approval by the commissioner; 3) add a paragraph specifying the calculation of limitations in the case of an increase or decrease in a sending district's enrollment; and 4) prohibit the commissioner from approving any new choice districts or modifying the choice program prior to the effective date of section 11 of the act. Section 11 will be effective one year after the date of enactment of the act, and the section deletes a sentence in the CEIFA statute cited by the Department of Education as authorizing the establishment of a choice program by regulation.