

18A:7D-27.1

LEGISLATIVE HISTORY CHECKLIST
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(School budgets--permit deductions
of Federal Aid from General Fund)

NJSA: 18A:7D-27.1
LAWS OF: 1995 **CHAPTER:** 10
BILL NO: S136
SPONSOR(S): Littell
DATE INTRODUCED: Pre-filed
COMMITTEE: **ASSEMBLY:** Appropriations
SENATE: Education
AMENDED DURING PASSAGE: No
DATE OF PASSAGE: **ASSEMBLY:** December 5, 1994
SENATE: January 31, 1994
DATE OF APPROVAL: January 18, 1995

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes
COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: Yes
FISCAL NOTE: No
VETO MESSAGE: No
MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No
HEARINGS: No

KBG:pp

P.L.1995, CHAPTER 10, approved January 18, 1995
1994 Senate No. 136

1 AN ACT concerning free balances in public schools and amending
2 P.L.1993, c.80.

3

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

6 1. Section 3 of P.L.1993, c.80 (C.18A:7D-27.1) is amended to
7 read as follows:

8 3. a. [General] A general fund free [balances] balance in
9 excess of 7.5% of the budgeted general fund appropriations for
10 the prebudget year, after deducting from the balance any federal
11 funds provided to a district pursuant to Pub.L.81-874, 20 U.S.C.
12 §236 et seq., shall be appropriated by a school district for the
13 purpose of the budget prepared pursuant to section 22 of
14 P.L.1990, c.52 (C.18A:7D-27).

15 b. If the appropriation of an excess free [balances] balance
16 pursuant to subsection a. of this section will create a hardship for
17 the district in the 1993-94 school year, the district may apply to
18 the county superintendent and receive approval of a schedule for
19 the appropriation of the free balance in excess of 7.5% that will
20 enable the district to meet this requirement no later than the
21 beginning of the 1996-97 school year. The schedule may include
22 approval to transfer the general fund free balance to the capital
23 reserve account established pursuant to N.J.S.18A:21-3.

24 c. If the appropriation of an excess free [balances] balance
25 pursuant to subsection a. of this section will create a hardship for
26 the district in a school year subsequent to 1993-94, the district
27 may transfer the general fund free balance to the capital reserve
28 account established pursuant to N.J.S.18A:21-3.
29 (P.L.1993, c.80, s.3)

30 2. This act shall take effect immediately.

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35 Permits deduction of federal impact aid from general fund free
36 balance.

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.

SENATE, No. 136
STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel
PRE-FILED FOR INTRODUCTION IN THE 1994 SESSION

By Senator LITTELL

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29 (P.L.1993, c.80, s.3)

30 2. This act shall take effect immediately.

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STATEMENT

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35 This bill provides that federal impact aid may be deducted
36 from the general fund free balance of a school district before the
37 district meets the requirement for the appropriation of a free
38 balance in excess of 7.5% of the budgeted general fund
39 appropriations for the prebudget year. The deduction was
40 permitted under the Quality Education Act of 1990 (QEA), but
41 was not specified when the statutes governing the determination
42 of foundation aid were amended by P.L.1993, c.80.

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.

S136

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3 **Permits deduction of federal impact aid from general fund free**

4 **balance.**

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 136

STATE OF NEW JERSEY

DATED: MAY 11, 1994

The Assembly Appropriations Committee reports favorably Senate Bill No. 136.

Senate Bill No. 136 provides that federal impact aid received by a school district may be deducted from a school district's general fund free balance before the district meets the requirement for appropriating a free balance which is in excess of 7.5% of the budgeted general fund amount for the prebudget year.

FISCAL IMPACT:

This bill was not certified as needing a fiscal note and should not have any fiscal impact to the State. Currently, for the 1993-94 school year, there were 42 school districts which received federal impact aid totalling \$10.5 million. The amounts in the various school districts ranged from \$1,100 to \$2.5 million.

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 136

STATE OF NEW JERSEY

DATED: JANUARY 20, 1994

The Senate Education Committee favorably reports Senate Bill No.136.

This bill provides that federal impact aid may be deducted from the general fund free balance of a school district before the district meets the requirement for the appropriation of a free balance in excess of 7.5% of the budgeted general fund appropriations for the prebudget year.

This bill was prefiled for introduction in the 1994 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.