

LEGISLATIVE HISTORY CHECKLIST
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(Limited purpose regional schools--
 procedure for dissolution)

NJSA: 18A:13-51

LAWS OF: 1993 **CHAPTER:** 255

BILL NO: A2294

SPONSOR(S) Bagger and others

DATE INTRODUCED: February 18, 1993

COMMITTEE: **ASSEMBLY:** Education
SENATE: ---

AMENDED DURING PASSAGE: Yes **Amendments during passage**
 Second reprint enacted **denoted by superscript numbers**

DATE OF PASSAGE: **ASSEMBLY:** June 21, 1993
SENATE: June 21, 1993

DATE OF APPROVAL: August 13, 1993

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: No

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBG:pp

Legislative History Checklist
(Compiled by the Office of Legislative Services Library)

Synopsis: Provides procedure for dissolution of limited purpose regional school district.

Bill No.: A2294

P.L. 1993, c. 255

Identical to: S1730 (1R)
Substituted for: S1730 (1R)
Combined with:
Last Session Bill No.:

See Above Bill(s) for Additional History

NJSA: 18A:13-51 et al.

Sponsor(s): Bagger/Lustbader+3

Date Introduced: 02/18/93

Committee Reference:

Statement:

Public Hearing:

Assembly:

Education

Yes

No

Senate:

(Without reference)

Sponsor Statement: Yes

Fiscal Note: No

Dates of Passage:

Assembly:

06/21/93 (76-1)

Senate:

06/21/93 (34-0)

Amended During Passage: Yes

Governor's Action:

Veto: No

Date of Veto:

Date of Approval: 08/13/93

Message on Signing: No

Additional Information:

P.L.1993, CHAPTER 255, *approved August 13, 1993*
1993 Assembly No. 2294 (*Second Reprint*)

1 **AN ACT** concerning limited purpose regional school districts and
2 revising various parts of the statutory law.

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

6 1. Section 1 of P.L.1975, c.360 (C.18A:13-51) is amended to
7 read as follows:

8 1. The board of education of any local school district
9 constituting part of a limited purpose regional school district or
10 the governing body of the municipality constituting a constituent
11 district may, by resolution, apply to the county superintendent of
12 schools to make an investigation as to the advisability of
13 withdrawal of such local district from the regional district.

14 A majority of the boards of education of the school districts
15 which constitute a limited purpose regional school district and a
16 majority of the governing bodies of the municipalities which
17 constitute the constituent school districts of a limited purpose
18 regional school district may, by separate resolutions, apply to the
19 county superintendent of schools to make an investigation as to
20 the advisability of the dissolution of the regional district.

21 ²Within 21 days following adoption of the resolution or
22 resolutions required pursuant to this section, the county
23 superintendent shall call a meeting of representatives of each
24 constituent governing body, each board of education constituting
25 part of the regional district, and the board of education of the
26 regional district to review the procedures to be followed for the
27 withdrawal from, or dissolution of, the limited purpose regional
28 district. This meeting, however, may be called by the county
29 superintendent prior to the adoption of the required resolutions.²

30 (cf: P.L.1975, c.360, s.1)

31 2. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to
32 read as follows:

33 2. The county superintendent shall, within 60 days after such
34 request, file with the governing bodies of the municipalities
35 constituting the regional district and the boards of education of
36 all of the constituent school districts and the board of education
37 of the regional school district a report containing a statement of
38 the current assets and operating expenses of the regional district
39 for the then current year and such financial, educational and
40 other information as he may deem necessary to enable said

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AED committee amendments adopted March 4, 1993.

² Assembly floor amendments adopted June 17, 1993.

1 governing bodies and local boards of education and regional board
2 of education to form an intelligent judgment as to the
3 advisability of the proposed withdrawal or dissolution and the
4 effect thereof upon the educational and financial condition of the
5 withdrawing district and the regional district , or upon each of
6 the constituent districts in the event of a dissolution, and setting
7 forth the amount of indebtedness, if any, to be assumed by the
8 withdrawing and the regional districts, or by each constituent
9 district in the event of a dissolution, calculated as hereinafter
10 provided.

11 ²The county superintendent may require the constituent
12 municipalities and school districts and the regional district to
13 submit a feasibility study in order to determine the educational
14 and financial impact of the withdrawal from, or dissolution of,
15 the limited purpose regional district. In the event the county
16 superintendent requests a feasibility study to be conducted, the
17 county superintendent's report required pursuant to this section
18 shall be filed within 60 days following submission of the
19 feasibility study.²

20 (cf: P.L.1977, c.279, s.1)

21 3. Section 3 of P.L.1975, c.360 (C.18A:13-53) is amended to
22 read as follows:

23 3. The county superintendent shall calculate the amount of
24 indebtedness relating to buildings, grounds, furnishings,
25 equipment and additions thereto so to be assumed on the basis of
26 the proportion which the replacement cost of the buildings,
27 grounds, furnishings, equipment, and additions thereto of the
28 regional district situated in the withdrawing district , or in each
29 of the constituent districts in the event of a dissolution, bears to
30 the replacement cost of the buildings, grounds, furnishings,
31 equipment and additions thereto situated in the entire regional
32 district. Said replacement cost shall be determined according to
33 rules prescribed by the commissioner with the approval of the
34 State board and in accordance with recognized accounting
35 practices. The county superintendent shall also calculate the
36 amount of all other indebtedness and unfunded liabilities to be so
37 assumed on an equitable basis.

38 (cf: P.L.1977, c.279, s.2)

39 4. Section 4 of P.L.1975, c.360 (C.18A:13-54) is amended to
40 read as follows:

41 4. The municipal governing body or the board of education of
42 the withdrawing district or the municipal governing body and the
43 board of education of each constituent district seeking dissolution
44 may, within 30 days after the filing of the report by the county
45 superintendent, petition the commissioner for permission to
46 submit to the legal voters of the withdrawing district and the
47 remaining districts within the regional district the question
48 whether or not it shall so withdraw [, and in such petition the] or
49 in the event of a dissolution to submit to the legal voters of each
50 constituent district whether the regional district shall dissolve.
51 The board may request in the petition any specific reduction or
52 increase in the amount of indebtedness to be assumed as set forth
53 in the county superintendent's report. Proof of the service of a
54 copy of the petition upon the municipal governing body and the

1 board of education of each constituent district, the board of
2 education of the regional district, and the county superintendent,
3 prior to the filing of the petition, shall accompany the petition.
4 (cf: P.L.1975, c.360, s.4)

5 5. Section 6 of P.L.1975, c.360 (C.18A:13-56) is amended to
6 read as follows:

7 6. Within 15 days after the filing of the answers to the
8 petition, the Commissioner of Education shall submit the petition
9 and answers to a board of review consisting of the commissioner
10 ²[himself,]² as chairman, ²a member of the State Board of
11 Education to be appointed by the president thereof,² the State
12 Treasurer or his designee and the Director of the Division of
13 Local Government Services in the Department of Community
14 Affairs, for a determination as to whether or not the petition
15 should be granted, and if so, the amount of indebtedness, if any,
16 to be assumed by the remaining and the new district , or by each
17 of the constituent districts in the event of a dissolution, upon
18 approval of the legal voters ²[of the withdrawing district and the
19 remaining districts , or of each of the constituent districts in the
20 event of a dissolution,] pursuant to section 9 of P.L.1975, c.360
21 (C.18A:13-59)² at a special school election. The board of review
22 shall consider the effect of the proposed withdrawal or
23 dissolution upon the educational and financial condition of the
24 withdrawing and the remaining districts , or upon each of the
25 constituent districts in the event of a dissolution, and shall
26 schedule and hold a public hearing on the petition upon the
27 application of any interested party. In considering the effect of
28 the proposed withdrawal or dissolution upon the educational and
29 financial condition of the withdrawing and remaining districts , or
30 upon each of the constituent districts in the event of a
31 dissolution, the board of review shall:

32 a. Consent to the granting of the application; or

33 b. Oppose the same because, if the same be granted--

34 1. An excessive debt burden will be imposed upon the
35 remaining districts, or the withdrawing district , or upon ²[each]
36 any² of the constituent districts in the event of a dissolution;

37 2. An efficient school system cannot be maintained in the
38 remaining districts or the withdrawing district , or in any of the
39 constituent districts in the event of a dissolution, without
40 excessive costs;

41 3. Insufficient pupils will be left in the remaining districts , or
42 in any of the constituent districts in the event of a dissolution, to
43 maintain a properly graded school system; or

44 4. Any other reason, which it may deem to be sufficient; or

45 c. Request that if the petition be granted, the amount of debt
46 which the remaining districts , or any of the constituent districts
47 in the event of a dissolution, would be required to assume,
48 calculated as hereinbefore provided, be reduced for the reason
49 that--

50 1. Such amount of indebtedness, together with all other
51 indebtedness of the municipalities or school districts would be
52 excessive;

53 2. The amount of expenditure for debt service which would be
54 required would be so great that sufficient funds would not be

1 available for current expenses without excessive taxation; or

2 3. Such amount of indebtedness is inequitable in relation to the
3 value of the property to be acquired by the remaining districts ,
4 or by any of the constituent districts in the event of a dissolution,
5 and would materially impair the credit of the municipalities or
6 such districts and the ability to pay punctually the principal and
7 interest of their debt and to supply such essential educational
8 facilities and public improvements and services as might
9 reasonably be anticipated would be required of them.

10 The board of review shall make its findings and determination,
11 by the recorded vote of at least 2[two] three² of the 2[three]
12 four² members of the board, within 60 days of the receipt of the
13 petition and answers.

14 (cf: P.L.1975, c.360, s.6)

15 6. Section 7 of P.L.1975, c.360 (C.18A:13-57) is amended to
16 read as follows:

17 7. If the application be granted, the county superintendent
18 shall, after conferring with the boards of education of the
19 constituent [district] districts , fix a day and a time on said day
20 for holding a special school election, at which time the question
21 whether or not the withdrawing school district shall withdraw
22 from the regional district or whether the regional district shall be
23 dissolved, whichever shall be applicable, shall be submitted to the
24 legal voters of the withdrawing district and to the legal voters
25 within the remainder of the regional district or to the legal
26 voters of each of the constituent districts in the event of a
27 dissolution.

28 (cf: P.L.1977, c.279, s.3)

29 7. Section 8 of P.L.1975, c.360 (C.18A:13-58) is amended to
30 read as follows:

31 8. The amount of indebtedness to be assumed by the
32 withdrawing district or by each of the constituent districts in the
33 event of a dissolution and the effect of such indebtedness upon
34 the borrowing margin of the municipality, the withdrawing
35 district, the remaining districts, and the remaining municipalities
36 within the regional district , or by each of the constituent
37 districts and municipalities within the regional district in the
38 event of a dissolution, shall be stated in the notices and
39 advertisements of the special school election and in the ballots to
40 be used therein, and said election shall be conducted and the
41 results thereof determined in the manner prescribed by law for
42 special school elections in type II districts. The result shall be
43 certified within 5 days after the holding of the election to the
44 county superintendent and to the boards of education of the
45 withdrawing district, the regional district and the constituent
46 districts within the regional district , or to the boards of
47 education of each of the constituent districts in the event of a
48 dissolution.

49 (cf: P.L.1975, c.360, s.8)

50 8. Section 9 of P.L.1975, c.360 (C.18A:13-59) is amended to
51 read as follows:

52 9. If the question is adopted at said elections, the withdrawal
53 of the district or the dissolution of the regional district shall
54 become effective upon a date to be determined by the

1 commissioner of education. 2For withdrawal from a regional
2 district, the question shall be deemed adopted if it receives an
3 affirmative vote of a majority of the votes cast within the
4 withdrawing constituent district and it receives an affirmative
5 vote of a majority of the overall votes cast in the entire regional
6 district.² For dissolution of a regional district ²[¹which spent
7 more than \$15,000 per pupil in the 1992-93 school year¹]², the
8 question shall be deemed adopted if it receives an affirmative
9 vote in a majority of the individual constituent districts and it
10 receives an affirmative vote of a majority of the overall votes
11 cast in the entire regional district.

12 (cf: P.L.1977, c.279, s.4)

13 9. Section 10 of P.L.1975, c.360 (C.18A:13-60) is amended to
14 read as follows:

15 10. The members of the board of education of the regional
16 ~~district shall continue in office until the withdrawal of the~~
17 ~~district or the dissolution of the regional district has become~~
18 ~~effective. When [such] a withdrawal has taken effect, the terms~~
19 ~~of those members of the regional board who reside in the~~
20 ~~withdrawing district shall thereupon expire, and the vacancies so~~
21 ~~occurring shall be reapportioned among the remaining districts~~
22 ~~and filled by appointment by the county superintendent to serve~~
23 ~~until the next annual school election of the regional district, at~~
24 ~~which time their successors shall be elected in accordance with~~
25 ~~such reapportionment.~~

26 (cf: P.L.1975, c.360, s.10)

27 10. Section 11 of P.L.1975, c.360 (C.18A:13-61) is amended to
28 read as follows:

29 11. The withdrawing district and the remaining districts, or
30 each constituent district in the event of a dissolution, shall take
31 title to and control of all school grounds and buildings, and the
32 furnishings and equipment therein, other than those which had
33 been rotated or shared among the regional schools, situated in
34 their respective districts on the effective date of withdrawal or
35 dissolution as established by the commissioner. The county
36 superintendent shall allot a fair proportion of the shared or
37 rotated furnishings and equipment to the withdrawing district or
38 to each of the constituent districts in the event of a dissolution.

39 Upon the assumption of title, each board shall also assume such
40 amount of the indebtedness of the original regional school district
41 as shall have been determined by the board of review. [The] In
42 the event of a withdrawal, the withdrawing district shall pay to
43 the regional board of education, at least 5 days before it becomes
44 due, the amount of the principal and interest of the assumed
45 indebtedness; such principal and interest shall be paid by the
46 regional board, together with such amount due on its assumed
47 indebtedness, at and when it becomes due and payable. In the
48 event of a dissolution, the county superintendent and board of
49 review, in determining the amount of indebtedness to be assumed
50 by each constituent district, shall give due regard to the value of
51 school buildings and grounds being conveyed to the constituent
52 district in which those buildings and grounds are located.

53 (cf: P.L.1977, c.279, s.5)

54 11. Section 12 of P.L.1975, c.360 (C.18A:13-62) is amended to

1 read as follows:

2 12. The county superintendent in a written report filed by him
3 at the end of the school year preceding that in which the
4 withdrawal or dissolution becomes effective shall make a division
5 of the assets and liabilities between the withdrawing district and
6 the regional district , or among the constituent districts in the
7 event of a dissolution, in the same manner as provided in

8 N.J.S.18A:8-24.

9 (cf: P.L.1975, c.360, s.12)

10 12. Section 13 of P.L.1975, c.360 (C.18A:13-63) is amended to
11 read as follows:

12 13. If in the event of a withdrawal from the regional district
13 as a result of the foregoing procedures a limited purpose regional
14 school district shall be left with only one constituent local school
15 district, such regional school district shall be dissolved upon the
16 effective date of the withdrawal of the other constituent school
17 districts, and such remaining constituent municipality shall
18 thenceforth be constituted a separate local school district and
19 governed by the laws applicable thereto. If all of the local
20 districts withdraw from the regional district, such regional
21 district shall be dissolved upon the effective date of the last
22 withdrawal, and its assets and liabilities shall devolve upon the
23 respective withdrawing districts in accordance with the division
24 made by the county superintendent as provided in section 12
25 hereof.

26 Upon the effective date of a dissolution of a regional district
27 each constituent municipality shall thenceforth be constituted a
28 separate local school district and be governed by the laws
29 applicable thereto, and its assets and liabilities shall devolve upon
30 the respective constituent districts in accordance with the
31 division made by the county superintendent as provided in section
32 12 of P.L.1975, c.360 (C.18A:13-62).

33 (cf: P.L.1975, c.360, s.13)

34 13. Section 14 of P.L.1975, c.360 (C.18A:13-64) is amended to
35 read as follows:

36 14. All employees of the regional district shall continue in
37 their respective positions in the withdrawing district , or in each
38 of the constituent districts in the event of a dissolution, and all
39 of their rights of tenure, seniority, pension, leave of absence and
40 other similar benefits shall be recognized and preserved and any
41 periods of prior employment in the regional district shall count
42 toward the acquisition of tenure to the same extent as if all such
43 employment had been under the withdrawing district or in any of
44 the constituent districts in the event of a dissolution. [Any] In
45 the event of a withdrawal, any tenured employee in a school
46 located in the withdrawing district who desires to remain in the
47 employ of the regional district, and whose seniority under
48 existing tenure laws so permits, may apply for and shall be
49 granted a transfer to a position with the regional district for
50 which he is certified which is vacant, held by a tenured employee
51 with less seniority or by an employee without tenure; applications
52 for such transfers shall be made within 45 days of the date of the
53 special school election at which the withdrawal was approved.

54 (cf: P.L.1975, c.360, s.14)

1 ²14. The State Board of Education shall promulgate
2 regulations pursuant to the "Administrative Procedure Act," P.L.
3 1968, c. 410 (C.52:14B-1 et seq.) necessary to effectuate the
4 provisions of this act.²

5 ²[14.] 15.² This act shall take effect immediately.

6
7
8
9
10 _____ Provides procedure for dissolution of limited purpose regional
11 school district.

ASSEMBLY, No. 2294

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 18, 1993

By Assemblymen BAGGER, LUSTBADER, Mikulak,
Augustine and Assemblywoman Ogden

1 AN ACT concerning limited purpose regional school districts and
2 revising various parts of the statutory law.

3

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

6 1. Section 1 of P.L.1975, c.360 (C.18A:13-51) is amended to
7 read as follows:

8 1. The board of education of any local school district
9 constituting part of a limited purpose regional school district or
10 the governing body of the municipality constituting a constituent
11 district may, by resolution, apply to the county superintendent of
12 schools to make an investigation as to the advisability of
13 withdrawal of such local district from the regional district.

14 A majority of the boards of education of the school districts
15 which constitute a limited purpose regional school district and a
16 majority of the governing bodies of the municipalities which
17 constitute the constituent school districts of a limited purpose
18 regional school district may, by separate resolutions, apply to the
19 county superintendent of schools to make an investigation as to
20 the advisability of the dissolution of the regional district.

21 (cf: P.L.1975, c.360, s.1)

22 2. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to
23 read as follows:

24 2. The county superintendent shall, within 60 days after such
25 request, file with the governing bodies of the municipalities
26 constituting the regional district and the boards of education of
27 all of the constituent school districts and the board of education
28 of the regional school district a report containing a statement of
29 the current assets and operating expenses of the regional district
30 for the then current year and such financial, educational and
31 other information as he may deem necessary to enable said
32 governing bodies and local boards of education and regional board
33 of education to form an intelligent judgment as to the
34 advisability of the proposed withdrawal or dissolution and the
35 effect thereof upon the educational and financial condition of the
36 withdrawing district and the regional district, or upon each of
37 the constituent districts in the event of a dissolution, and setting
38 forth the amount of indebtedness, if any, to be assumed by the
39 withdrawing and the regional districts, or by each constituent
40 district in the event of a dissolution, calculated as hereinafter
41 provided.

42 (cf: P.L.1977, c.279, s.1)

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 3. Section 3 of P.L.1975, c.360 (C.18A:13-53) is amended to
2 read as follows:

3 3. The county superintendent shall calculate the amount of
4 indebtedness relating to buildings, grounds, furnishings,
5 equipment and additions thereto so to be assumed on the basis of
6 the proportion which the replacement cost of the buildings,
7 grounds, furnishings, equipment, and additions thereto of the
8 regional district situated in the withdrawing district, or in each
9 of the constituent districts in the event of a dissolution, bears to
10 the replacement cost of the buildings, grounds, furnishings,
11 equipment and additions thereto situated in the entire regional
12 district. Said replacement cost shall be determined according to
13 rules prescribed by the commissioner with the approval of the
14 State board and in accordance with recognized accounting
15 practices. The county superintendent shall also calculate the
16 amount of all other indebtedness and unfunded liabilities to be so
17 assumed on an equitable basis.

18 (cf: P.L.1977, c.279, s.2)

19 4. Section 4 of P.L.1975, c.360 (C.18A:13-54) is amended to
20 read as follows:

21 4. The municipal governing body or the board of education of
22 the withdrawing district or the municipal governing body and the
23 board of education of each constituent district seeking dissolution
24 may, within 30 days after the filing of the report by the county
25 superintendent, petition the commissioner for permission to
26 submit to the legal voters of the withdrawing district and the
27 remaining districts within the regional district the question
28 whether or not it shall so withdraw [, and in such petition the] or
29 in the event of a dissolution to submit to the legal voters of each
30 constituent district whether the regional district shall dissolve.
31 The board may request in the petition any specific reduction or
32 increase in the amount of indebtedness to be assumed as set forth
33 in the county superintendent's report. Proof of the service of a
34 copy of the petition upon the municipal governing body and the
35 board of education of each constituent district, the board of
36 education of the regional district, and the county superintendent,
37 prior to the filing of the petition, shall accompany the petition.

38 (cf: P.L.1975, c.360, s.4)

39 5. Section 6 of P.L.1975, c.360 (C.18A:13-56) is amended to
40 read as follows:

41 6. Within 15 days after the filing of the answers to the
42 petition, the Commissioner of Education shall submit the petition
43 and answers to a board of review consisting of the commissioner
44 himself, as chairman, the State Treasurer or his designee and the
45 Director of the Division of Local Government Services in the
46 Department of Community Affairs, for a determination as to
47 whether or not the petition should be granted, and if so, the
48 amount of indebtedness, if any, to be assumed by the remaining
49 and the new district, or by each of the constituent districts in
50 the event of a dissolution, upon approval of the legal voters of
51 the withdrawing district and the remaining districts, or of each
52 of the constituent districts in the event of a dissolution, at a
53 special school election. The board of review shall consider the
54 effect of the proposed withdrawal or dissolution upon the

- 1 educational and financial condition of the withdrawing and the
2 remaining districts , or upon each of the constituent districts in
3 the event of a dissolution, and shall schedule and hold a public
4 hearing on the petition upon the application of any interested
5 party. In considering the effect of the proposed withdrawal or
6 dissolution upon the educational and financial condition of the
7 withdrawing and remaining districts , or upon each of the
8 constituent districts in the event of a dissolution, the board of
9 review shall:
- 10 a. Consent to the granting of the application; or
11 b. Oppose the same because, if the same be granted--
- 12 1. An excessive debt burden will be imposed upon the
13 remaining districts, or the withdrawing district , or upon each of
14 the constituent districts in the event of a dissolution;
- 15 2. An efficient school system cannot be maintained in the
16 remaining districts or the withdrawing district , or in any of the
17 constituent districts in the event of a dissolution, without
18 excessive costs;
- 19 3. Insufficient pupils will be left in the remaining districts , or
20 in any of the constituent districts in the event of a dissolution, to
21 maintain a properly graded school system; or
- 22 4. Any other reason, which it may deem to be sufficient; or
- 23 c. Request that if the petition be granted, the amount of debt
24 which the remaining districts , or any of the constituent districts
25 in the event of a dissolution, would be required to assume,
26 calculated as hereinbefore provided, be reduced for the reason
27 that--
- 28 1. Such amount of indebtedness, together with all other
29 indebtedness of the municipalities or school districts would be
30 excessive;
- 31 2. The amount of expenditure for debt service which would be
32 required would be so great that sufficient funds would not be
33 available for current expenses without excessive taxation; or
- 34 3. Such amount of indebtedness is inequitable in relation to the
35 value of the property to be acquired by the remaining districts ,
36 or by any of the constituent districts in the event of a dissolution,
37 and would materially impair the credit of the municipalities or
38 such districts and the ability to pay punctually the principal and
39 interest of their debt and to supply such essential educational
40 facilities and public improvements and services as might
41 reasonably be anticipated would be required of them.
- 42 The board of review shall make its findings and determination,
43 by the recorded vote of at least two of the three members of the
44 board, within 60 days of the receipt of the petition and answers.
45 (cf: P.L.1975, c.360, s.6)
- 46 6. Section 7 of P.L.1975, c.360 (C.18A:13-57) is amended to
47 read as follows:
- 48 7. If the application be granted, the county superintendent
49 shall, after conferring with the boards of education of the
50 constituent [district] districts , fix a day and a time on said day
51 for holding a special school election, at which time the question
52 whether or not the withdrawing school district shall withdraw
53 from the regional district or whether the regional district shall be
54 dissolved, whichever shall be applicable, shall be submitted to the

1 legal voters of the withdrawing district and to the legal voters
2 within the remainder of the regional district or to the legal
3 voters of each of the constituent districts in the event of a
4 dissolution.

5 (cf: P.L.1977, c.279, s.3)

6 7. Section 8 of P.L.1975, c.360 (C.18A:13-58) is amended to
7 read as follows:

8 8. The amount of indebtedness to be assumed by the
9 withdrawing district or by each of the constituent districts in the
10 event of a dissolution and the effect of such indebtedness upon
11 the borrowing margin of the municipality, the withdrawing
12 district, the remaining districts, and the remaining municipalities
13 within the regional district , or by each of the constituent
14 districts and municipalities within the regional district in the
15 event of a dissolution, shall be stated in the notices and
16 advertisements of the special school election and in the ballots to
17 be used therein, and said election shall be conducted and the
18 results thereof determined in the manner prescribed by law for
19 special school elections in type II districts. The result shall be
20 certified within 5 days after the holding of the election to the
21 county superintendent and to the boards of education of the
22 withdrawing district, the regional district and the constituent
23 districts within the regional district , or to the boards of
24 education of each of the constituent districts in the event of a
25 dissolution.

26 (cf: P.L.1975, c.360, s.8)

27 8. Section 9 of P.L.1975, c.360 (C.18A:13-59) is amended to
28 read as follows:

29 9. If the question is adopted at said elections, the withdrawal
30 of the district or the dissolution of the regional district shall
31 become effective upon a date to be determined by the
32 commissioner of education. For dissolution of a regional district,
33 the question shall be deemed adopted if it receives an affirmative
34 vote in a majority of the individual constituent districts and it
35 receives an affirmative vote of a majority of the overall votes
36 cast in the entire regional district.

37 (cf: P.L.1977, c.279, s.4)

38 9. Section 10 of P.L.1975, c.360 (C.18A:13-60) is amended to
39 read as follows:

40 10. The members of the board of education of the regional
41 district shall continue in office until the withdrawal of the
42 district or the dissolution of the regional district has become
43 effective. When [such] a withdrawal has taken effect, the terms
44 of those members of the regional board who reside in the
45 withdrawing district shall thereupon expire, and the vacancies so
46 occurring shall be reapportioned among the remaining districts
47 and filled by appointment by the county superintendent to serve
48 until the next annual school election of the regional district, at
49 which time their successors shall be elected in accordance with
50 such reapportionment.

51 (cf: P.L.1975, c.360, s.10)

52 10. Section 11 of P.L.1975, c.360 (C.18A:13-61) is amended to
53 read as follows:

54 11. The withdrawing district and the remaining districts , or

1 each constituent district in the event of a dissolution, shall take
2 title to and control of all school grounds and buildings, and the
3 furnishings and equipment therein, other than those which had
4 been rotated or shared among the regional schools, situated in
5 their respective districts on the effective date of withdrawal or
6 dissolution as established by the commissioner. The county
7 superintendent shall allot a fair proportion of the shared or
8 rotated furnishings and equipment to the withdrawing district or
9 to each of the constituent districts in the event of a dissolution .

10 Upon the assumption of title, each board shall also assume such
11 amount of the indebtedness of the original regional school district
12 as shall have been determined by the board of review. [The] In
13 the event of a withdrawal, the withdrawing district shall pay to
14 the regional board of education, at least 5 days before it becomes
15 due, the amount of the principal and interest of the assumed
16 indebtedness; such principal and interest shall be paid by the
17 regional board, together with such amount due on its assumed
18 indebtedness, at and when it becomes due and payable. In the
19 event of a dissolution, the county superintendent and board of
20 review, in determining the amount of indebtedness to be assumed
21 by each constituent district, shall give due regard to the value of
22 school buildings and grounds being conveyed to the constituent
23 district in which those buildings and grounds are located.

24 (cf: P.L.1977, c.279, s.5)

25 11. Section 12 of P.L.1975, c.360 (C.18A:13-62) is amended to
26 read as follows:

27 12. The county superintendent in a written report filed by him
28 at the end of the school year preceding that in which the
29 withdrawal or dissolution becomes effective shall make a division
30 of the assets and liabilities between the withdrawing district and
31 the regional district , or among the constituent districts in the
32 event of a dissolution, in the same manner as provided in N.J.S.
33 18A:8-24.

34 (cf: P.L.1975, c.360, s.12)

35 12. Section 13 of P.L.1975, c.360 (C.18A:13-63) is amended to
36 read as follows:

37 13. If in the event of a withdrawal from the regional district
38 as a result of the foregoing procedures a limited purpose regional
39 school district shall be left with only one constituent local school
40 district, such regional school district shall be dissolved upon the
41 effective date of the withdrawal of the other constituent school
42 districts, and such remaining constituent municipality shall
43 thenceforth be constituted a separate local school district and
44 governed by the laws applicable thereto. If all of the local
45 districts withdraw from the regional district, such regional
46 district shall be dissolved upon the effective date of the last
47 withdrawal, and its assets and liabilities shall devolve upon the
48 respective withdrawing districts in accordance with the division
49 made by the county superintendent as provided in section 12
50 hereof.

51 Upon the effective date of a dissolution of a regional district
52 each constituent municipality shall thenceforth be constituted a
53 separate local school district and be governed by the laws
54 applicable thereto, and its assets and liabilities shall devolve upon

1 the respective constituent districts in accordance with the
 2 division made by the county superintendent as provided in section
 3 12 of P.L.1975, c.360 (C.18A:13-62).

4 (cf: P.L.1975, c.360, s.13)

5 13. Section 14 of P.L.1975, c.360 (C.18A:13-64) is amended to
 6 read as follows:

7 14. All employees of the regional district shall continue in
 8 their respective positions in the withdrawing district , or in each
 9 of the constituent districts in the event of a dissolution, and all
 10 of their rights of tenure, seniority, pension, leave of absence and
 11 other similar benefits shall be recognized and preserved and any
 12 periods of prior employment in the regional district shall count
 13 toward the acquisition of tenure to the same extent as if all such
 14 employment had been under the withdrawing district or in any of
 15 the constituent districts in the event of a dissolution. [Any] In
 16 the event of a withdrawal, any tenured employee in a school
 17 located in the withdrawing district who desires to remain in the
 18 employ of the regional district, and whose seniority under
 19 existing tenure laws so permits, may apply for and shall be
 20 granted a transfer to a position with the regional district for
 21 which he is certified which is vacant, held by a tenured employee
 22 with less seniority or by an employee without tenure; applications
 23 for such transfers shall be made within 45 days of the date of the
 24 special school election at which the withdrawal was approved.

25 (cf: P.L.1975, c.360, s.14)

26 14. This act shall take effect immediately.

27

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Sponsors' STATEMENT

31

32 This bill establishes a procedure for the dissolution of a limited
 33 purpose regional school district. Current law provides a
 34 procedure for the withdrawal of a district from a limited purpose
 35 regional district but does not specify a procedure for the
 36 dissolution of the district.

36

37 The procedure established by the bill parallels the procedure
 38 provided for the withdrawal of a district from a limited purpose
 39 regional district. A majority of the boards of education of the
 40 constituent districts and a majority of the governing bodies of the
 41 municipalities constituting the constituent districts of the
 42 regional district may request the county superintendent of
 43 schools to investigate the advisability of dissolution. No
 44 dissolution would be permitted without the approval of a board of
 45 review, consisting of the Commissioner of Education, the State
 46 Treasurer or his designee, and the Director of the Division of
 47 Local Government Services in the Department of Community
 48 Affairs. In determining whether to permit the dissolution, the
 49 board of review must take into consideration the educational and
 50 financial condition of each constituent district.

50

51 If the board of review consents, the question would then be
 52 placed before the voters in each constituent district. An
 53 affirmative vote in both a majority of the individual constituent
 54 districts and in the overall vote of the entire regional district is
 55 necessary for the dissolution to become effective.

1 The bill also establishes a mechanism for the allocation of
2 debt, property and personnel among the constituent districts. All
3 employees are held harmless in the event of a dissolution and all
4 tenure, seniority, pension and similar rights and benefits are
5 recognized and preserved.

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10 Provides procedure for dissolution of limited purpose regional
11 school district.

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2294

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MARCH 4, 1993

The Assembly Education Committee reports favorably Assembly Bill No. 2294 with committee amendments.

This bill, as amended, establishes a procedure for the dissolution of a limited purpose regional school district. Current law provides a procedure for the withdrawal of a district from a limited purpose regional district but does not specify a procedure for the dissolution of the district.

The procedure established by the bill parallels the procedure provided for the withdrawal of a district from a limited purpose regional district. A majority of the boards of education of the constituent districts and a majority of the governing bodies of the municipalities constituting the constituent districts of the regional district may request the county superintendent of schools to investigate the advisability of dissolution. No dissolution would be permitted without the approval of a board of review, consisting of the Commissioner of Education, the State Treasurer or his designee, and the Director of the Division of Local Government Services in the Department of Community Affairs. In determining whether to permit the dissolution, the board of review must take into consideration the educational and financial condition of each constituent district.

If the board of review consents, the question would then be placed before the voters in each constituent district. An affirmative vote in each of the constituent districts would be necessary for the dissolution to become effective. However, if the regional district spent more than \$15,000 per pupil in the 1992-93 school year an affirmative vote in both a majority of the individual constituent districts and in the overall vote of the entire regional district is necessary for the dissolution to become effective.

The bill also establishes a mechanism for the allocation of debt, property and personnel among the constituent districts. All employees are held harmless in the event of a dissolution and all tenure, seniority, pension and similar rights and benefits are recognized and preserved.

The committee amended the bill to provide that an affirmative vote in each constituent district is required for dissolution unless the regional district spent more than \$15,000 per pupil in the 1992-93 school year in which event both a majority of the individual constituent districts and in the overall vote of the entire regional district is necessary for the dissolution to become effective.



✓ SPEAKER
Clerk (3)
Majority Leader
Minority Leader
Sponsor of Aa
Sponsor of Bill

ASSEMBLY Amendments
(Proposed by Assemblyman BAGGER)

to

ASSEMBLY, No. 2294(1R)
(Sponsored by Assemblymen BAGGER and LUSTBADER)

REPLACE SECTION 1 TO READ:

1. Section 1 of P.L.1975, c.360 (C.18A:13-51) is amended to read as follows:

1. The board of education of any local school district constituting part of a limited purpose regional school district or the governing body of the municipality constituting a constituent district may, by resolution, apply to the county superintendent of schools to make an investigation as to the advisability of withdrawal of such local district from the regional district.

A majority of the boards of education of the school districts which constitute a limited purpose regional school district and a majority of the governing bodies of the municipalities which constitute the constituent school districts of a limited purpose regional school district may, by separate resolutions, apply to the county superintendent of schools to make an investigation as to the advisability of the dissolution of the regional district.

²Within 21 days following adoption of the resolution or resolutions required pursuant to this section, the county superintendent shall call a meeting of representatives of each constituent governing body, each board of education constituting part of the regional district, and the board of education of the regional district to review the procedures to be followed for the withdrawal from, or dissolution of, the limited purpose regional district. This meeting, however, may be called by the county superintendent prior to the adoption of the required resolutions.²

(cf: P.L.1975, c.360, s.1)

REPLACE SECTION 2 TO READ:

2. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to read as follows:

2. The county superintendent shall, within 60 days after such request, file with the governing bodies of the municipalities constituting the regional district and the boards of education of all of the constituent school districts and the board of education of the regional school district a report containing a statement of the current assets and operating expenses of the regional district for the then current year and such financial, educational and other information as he may deem necessary to enable said governing bodies and local boards of education and regional board of education to form an intelligent judgment as to the advisability of the proposed withdrawal or dissolution and the effect thereof upon the educational and financial condition of the withdrawing district and the regional district, or upon each of the constituent districts in the event of a dissolution, and setting

forth the amount of indebtedness, if any, to be assumed by the withdrawing and the regional districts, or by each constituent district in the event of a dissolution, calculated as hereinafter provided.

²The county superintendent may require the constituent municipalities and school districts and the regional district to submit a feasibility study in order to determine the educational and financial impact of the withdrawal from, or dissolution of, the limited purpose regional district. In the event the county superintendent requests a feasibility study to be conducted, the county superintendent's report required pursuant to this section shall be filed within 60 days following submission of the feasibility study.²

(cf: P.L.1977, c.279, s.1)

REPLACE SECTION 5 TO READ:

5. Section 6 of P.L.1975, c.360 (C.18A:13-56) is amended to read as follows:

6. Within 15 days after the filing of the answers to the petition, the Commissioner of Education shall submit the petition and answers to a board of review consisting of the commissioner ²(himself.)² as chairman, ²a member of the State Board of Education to be appointed by the president thereof,² the State Treasurer or his designee and the Director of the Division of Local Government Services in the Department of Community Affairs, for a determination as to whether or not the petition should be granted, and if so, the amount of indebtedness, if any, to be assumed by the remaining and the new district, or by each of the constituent districts in the event of a dissolution, upon approval of the legal voters ²[of the withdrawing district and the remaining districts, or of each of the constituent districts in the event of a dissolution,] pursuant to section 9 of P.L.1975, c.360 (C.18A:13-59)² at a special school election. The board of review shall consider the effect of the proposed withdrawal or dissolution upon the educational and financial condition of the withdrawing and the remaining districts, or upon each of the constituent districts in the event of a dissolution, and shall schedule and hold a public hearing on the petition upon the application of any interested party. In considering the effect of the proposed withdrawal or dissolution upon the educational and financial condition of the withdrawing and remaining districts, or upon each of the constituent districts in the event of a dissolution, the board of review shall:

a. Consent to the granting of the application; or

b. Oppose the same because, if the same be granted--

1. An excessive debt burden will be imposed upon the remaining districts, or the withdrawing district, or upon ²(each) any² of the constituent districts in the event of a dissolution;

2. An efficient school system cannot be maintained in the remaining districts or the withdrawing district, or in any of the constituent districts in the event of a dissolution, without excessive costs:

3. Insufficient pupils will be left in the remaining districts , or in any of the constituent districts in the event of a dissolution, to maintain a properly graded school system; or

4. Any other reason, which it may deem to be sufficient; or

c. Request that if the petition be granted, the amount of debt which the remaining districts , or any of the constituent districts in the event of a dissolution, would be required to assume, calculated as hereinbefore provided, be reduced for the reason that--

1. Such amount of indebtedness, together with all other indebtedness of the municipalities or school districts would be excessive;

2. The amount of expenditure for debt service which would be required would be so great that sufficient funds would not be available for current expenses without excessive taxation; or

3. Such amount of indebtedness is inequitable in relation to the value of the property to be acquired by the remaining districts , or by any of the constituent districts in the event of a dissolution, and would materially impair the credit of the municipalities or such districts and the ability to pay punctually the principal and interest of their debt and to supply such essential educational facilities and public improvements and services as might reasonably be anticipated would be required of them.

The board of review shall make its findings and determination, by the recorded vote of at least ²[two] ~~three~~² of the ²[three] ~~four~~² members of the board, within 60 days of the receipt of the petition and answers.

(cf: P.L.1975, c.360, s.6)

REPLACE SECTION 8 TO READ:

8. Section 9 of P.L.1975, c.360 (C.18A:13-59) is amended to read as follows:

9. If the question is adopted at said elections, the withdrawal of the district or the dissolution of the regional district shall become effective upon a date to be determined by the commissioner of education. ²For withdrawal from a regional district, the question shall be deemed adopted if it receives an affirmative vote of a majority of the votes cast within the withdrawing constituent district and it receives an affirmative vote of a majority of the overall votes cast in the entire regional district.² For dissolution of a regional district ²[¹which spent more than \$15,000 per pupil in the 1992-93 school year¹]² , the question shall be deemed adopted if it receives an affirmative vote in a majority of the individual constituent districts and it receives an affirmative vote of a majority of the overall votes cast in the entire regional district.

(cf: P.L.1977, c.279, s.4)

INSERT NEW SECTION 14 TO READ:

²The State Board of Education shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L. 1968, c. 410 (C.52:14B-1 et seq.) necessary to effectuate the provisions of this act.²

RENUMBER SECTION 14 AS SECTION 15

STATEMENT

This floor amendment provides that in order to dissolve a limited purpose regional school district an affirmative vote in a majority of the constituent districts is required for the dissolution to become effective. The amendment also requires the county superintendent to call a meeting of the affected municipalities and school districts to discuss the procedures to be followed in regard to the dissolution or withdrawal. The county superintendent may also request that a feasibility study be conducted by the affected municipalities and school districts. Finally, the amendments add a fourth member to the board of review who will be a member of the State Board of Education appointed by the President thereof.

[FIRST REPRINT]
ASSEMBLY, No. 2294
STATE OF NEW JERSEY

INTRODUCED FEBRUARY 18, 1993

By Assemblymen BAGGER, LUSTBADER, Mikulak,
Augustine and Assemblywoman Ogden

1 AN ACT concerning limited purpose regional school districts and
2 revising various parts of the statutory law.

3

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

6 1. Section 1 of P.L.1975, c.360 (C.18A:13-51) is amended to
7 read as follows:

8 1. The board of education of any local school district
9 constituting part of a limited purpose regional school district or
10 the governing body of the municipality constituting a constituent
11 district may, by resolution, apply to the county superintendent of
12 schools to make an investigation as to the advisability of
13 withdrawal of such local district from the regional district.

14 A majority of the boards of education of the school districts
15 which constitute a limited purpose regional school district and a
16 majority of the governing bodies of the municipalities which
17 constitute the constituent school districts of a limited purpose
18 regional school district may, by separate resolutions, apply to the
19 county superintendent of schools to make an investigation as to
20 the advisability of the dissolution of the regional district.

21 (cf: P.L.1975, c.360, s.1)

22 2. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to
23 read as follows:

24 2. The county superintendent shall, within 60 days after such
25 request, file with the governing bodies of the municipalities
26 constituting the regional district and the boards of education of
27 all of the constituent school districts and the board of education
28 of the regional school district a report containing a statement of
29 the current assets and operating expenses of the regional district
30 for the then current year and such financial, educational and
31 other information as he may deem necessary to enable said
32 governing bodies and local boards of education and regional board
33 of education to form an intelligent judgment as to the
34 advisability of the proposed withdrawal or dissolution and the
35 effect thereof upon the educational and financial condition of the
36 withdrawing district and the regional district, or upon each of
37 the constituent districts in the event of a dissolution, and setting
38 forth the amount of indebtedness, if any, to be assumed by the
39 withdrawing and the regional districts, or by each constituent
40 district in the event of a dissolution, calculated as hereinafter
41 provided.

42 (cf: P.L.1977, c.279, s.1)

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:
1 Assembly AED committee amendments adopted March 4, 1993.

1 3. Section 3 of P.L.1975, c.360 (C.18A:13-53) is amended to
2 read as follows:

3 3. The county superintendent shall calculate the amount of
4 indebtedness relating to buildings, grounds, furnishings,
5 equipment and additions thereto so to be assumed on the basis of
6 the proportion which the replacement cost of the buildings,
7 grounds, furnishings, equipment, and additions thereto of the
8 regional district situated in the withdrawing district, or in each
9 of the constituent districts in the event of a dissolution, bears to
10 the replacement cost of the buildings, grounds, furnishings,
11 equipment and additions thereto situated in the entire regional
12 district. Said replacement cost shall be determined according to
13 rules prescribed by the commissioner with the approval of the
14 State board and in accordance with recognized accounting
15 practices. The county superintendent shall also calculate the
16 amount of all other indebtedness and unfunded liabilities to be so
17 assumed on an equitable basis.

18 (cf: P.L.1977, c.279, s.2)

19 4. Section 4 of P.L.1975, c.360 (C.18A:13-54) is amended to
20 read as follows:

21 4. The municipal governing body or the board of education of
22 the withdrawing district or the municipal governing body and the
23 board of education of each constituent district seeking dissolution
24 may, within 30 days after the filing of the report by the county
25 superintendent, petition the commissioner for permission to
26 submit to the legal voters of the withdrawing district and the
27 remaining districts within the regional district the question
28 whether or not it shall so withdraw [, and in such petition the] or
29 in the event of a dissolution to submit to the legal voters of each
30 constituent district whether the regional district shall dissolve.
31 The board may request in the petition any specific reduction or
32 increase in the amount of indebtedness to be assumed as set forth
33 in the county superintendent's report. Proof of the service of a
34 copy of the petition upon the municipal governing body and the
35 board of education of each constituent district, the board of
36 education of the regional district, and the county superintendent,
37 prior to the filing of the petition, shall accompany the petition.

38 (cf: P.L.1975, c.360, s.4)

39 5. Section 6 of P.L.1975, c.360 (C.18A:13-56) is amended to
40 read as follows:

41 6. Within 15 days after the filing of the answers to the
42 petition, the Commissioner of Education shall submit the petition
43 and answers to a board of review consisting of the commissioner
44 himself, as chairman, the State Treasurer or his designee and the
45 Director of the Division of Local Government Services in the
46 Department of Community Affairs, for a determination as to
47 whether or not the petition should be granted, and if so, the
48 amount of indebtedness, if any, to be assumed by the remaining
49 and the new district, or by each of the constituent districts in
50 the event of a dissolution, upon approval of the legal voters of
51 the withdrawing district and the remaining districts, or of each
52 of the constituent districts in the event of a dissolution, at a
53 special school election. The board of review shall consider the
54 effect of the proposed withdrawal or dissolution upon the

1 educational and financial condition of the withdrawing and the
2 remaining districts , or upon each of the constituent districts in
3 the event of a dissolution, and shall schedule and hold a public
4 hearing on the petition upon the application of any interested
5 party. In considering the effect of the proposed withdrawal or
6 dissolution upon the educational and financial condition of the
7 withdrawing and remaining districts , or upon each of the
8 constituent districts in the event of a dissolution, the board of
9 review shall:

10 a. Consent to the granting of the application; or

11 b. Oppose the same because, if the same be granted--

12 1. An excessive debt burden will be imposed upon the
13 remaining districts, or the withdrawing district , or upon each of
14 the constituent districts in the event of a dissolution;

15 2. An efficient school system cannot be maintained in the
16 remaining districts or the withdrawing district , or in any of the
17 constituent districts in the event of a dissolution, without
18 excessive costs;

19 3. Insufficient pupils will be left in the remaining districts , or
20 in any of the constituent districts in the event of a dissolution, to
21 maintain a properly graded school system; or

22 4. Any other reason, which it may deem to be sufficient; or

23 c. Request that if the petition be granted, the amount of debt
24 which the remaining districts , or any of the constituent districts
25 in the event of a dissolution, would be required to assume,
26 calculated as hereinbefore provided, be reduced for the reason
27 that--

28 1. Such amount of indebtedness, together with all other
29 indebtedness of the municipalities or school districts would be
30 excessive;

31 2. The amount of expenditure for debt service which would be
32 required would be so great that sufficient funds would not be
33 available for current expenses without excessive taxation; or

34 3. Such amount of indebtedness is inequitable in relation to the
35 value of the property to be acquired by the remaining districts ,
36 or by any of the constituent districts in the event of a dissolution,
37 and would materially impair the credit of the municipalities or
38 such districts and the ability to pay punctually the principal and
39 interest of their debt and to supply such essential educational
40 facilities and public improvements and services as might
41 reasonably be anticipated would be required of them.

42 The board of review shall make its findings and determination,
43 by the recorded vote of at least two of the three members of the
44 board, within 60 days of the receipt of the petition and answers.

45 (cf: P.L.1975, c.360, s.6)

46 6. Section 7 of P.L.1975, c.360 (C.18A:13-57) is amended to
47 read as follows:

48 7. If the application be granted, the county superintendent
49 shall, after conferring with the boards of education of the
50 constituent [district] districts , fix a day and a time on said day
51 for holding a special school election, at which time the question
52 whether or not the withdrawing school district shall withdraw
53 from the regional district or whether the regional district shall be
54 dissolved, whichever shall be applicable, shall be submitted to the

1 legal voters of the withdrawing district and to the legal voters
2 within the remainder of the regional district or to the legal
3 voters of each of the constituent districts in the event of a
4 dissolution.

5 (cf: P.L.1977, c.279, s.3)

6 7. Section 8 of P.L.1975, c.360 (C.18A:13-58) is amended to
7 read as follows:

8 8. The amount of indebtedness to be assumed by the
9 withdrawing district or by each of the constituent districts in the
10 event of a dissolution and the effect of such indebtedness upon
11 the borrowing margin of the municipality, the withdrawing
12 district, the remaining districts, and the remaining municipalities
13 within the regional district , or by each of the constituent
14 districts and municipalities within the regional district in the
15 event of a dissolution, shall be stated in the notices and
16 advertisements of the special school election and in the ballots to
17 be used therein, and said election shall be conducted and the
18 results thereof determined in the manner prescribed by law for
19 special school elections in type II districts. The result shall be
20 certified within 5 days after the holding of the election to the
21 county superintendent and to the boards of education of the
22 withdrawing district, the regional district and the constituent
23 districts within the regional district , or to the boards of
24 education of each of the constituent districts in the event of a
25 dissolution.

26 (cf: P.L.1975, c.360, s.8)

27 8. Section 9 of P.L.1975, c.360 (C.18A:13-59) is amended to
28 read as follows:

29 9. If the question is adopted at said elections, the withdrawal
30 of the district or the dissolution of the regional district shall
31 become effective upon a date to be determined by the
32 commissioner of education. For dissolution of a regional district
33 which spent more than \$15,000 per pupil in the 1992-93 school
34 year¹, the question shall be deemed adopted if it receives an
35 affirmative vote in a majority of the individual constituent
36 districts and it receives an affirmative vote of a majority of the
37 overall votes cast in the entire regional district.

38 (cf: P.L.1977, c.279, s.4)

39 9. Section 10 of P.L.1975, c.360 (C.18A:13-60) is amended to
40 read as follows:

41 10. The members of the board of education of the regional
42 district shall continue in office until the withdrawal of the
43 district or the dissolution of the regional district has become
44 effective. When [such] a withdrawal has taken effect, the terms
45 of those members of the regional board who reside in the
46 withdrawing district shall thereupon expire, and the vacancies so
47 occurring shall be reapportioned among the remaining districts
48 and filled by appointment by the county superintendent to serve
49 until the next annual school election of the regional district, at
50 which time their successors shall be elected in accordance with
51 such reapportionment.

52 (cf: P.L.1975, c.360, s.10)

53 10. Section 11 of P.L.1975, c.360 (C.18A:13-61) is amended to
54 read as follows:

55 11. The withdrawing district and the remaining districts , or

1 each constituent district in the event of a dissolution, shall take
2 title to and control of all school grounds and buildings, and the
3 furnishings and equipment therein, other than those which had
4 been rotated or shared among the regional schools, situated in
5 their respective districts on the effective date of withdrawal or
6 dissolution as established by the commissioner. The county
7 superintendent shall allot a fair proportion of the shared or
8 rotated furnishings and equipment to the withdrawing district or
9 to each of the constituent districts in the event of a dissolution .

10 Upon the assumption of title, each board shall also assume such
11 amount of the indebtedness of the original regional school district
12 as shall have been determined by the board of review. [The] In
13 the event of a withdrawal, the withdrawing district shall pay to
14 the regional board of education, at least 5 days before it becomes
15 due, the amount of the principal and interest of the assumed
16 indebtedness; such principal and interest shall be paid by the
17 regional board, together with such amount due on its assumed
18 indebtedness, at and when it becomes due and payable. In the
19 event of a dissolution, the county superintendent and board of
20 review, in determining the amount of indebtedness to be assumed
21 by each constituent district, shall give due regard to the value of
22 school buildings and grounds being conveyed to the constituent
23 district in which those buildings and grounds are located.

24 (cf: P.L.1977, c.279, s.5)

25 11. Section 12 of P.L.1975, c.360 (C.18A:13-62) is amended to
26 read as follows:

27 12. The county superintendent in a written report filed by him
28 at the end of the school year preceding that in which the
29 withdrawal or dissolution becomes effective shall make a division
30 of the assets and liabilities between the withdrawing district and
31 the regional district , or among the constituent districts in the
32 event of a dissolution, in the same manner as provided in
33 N.J.S.18A:8-24.

34 (cf: P.L.1975, c.360, s.12)

35 12. Section 13 of P.L.1975, c.360 (C.18A:13-63) is amended to
36 read as follows:

37 13. If in the event of a withdrawal from the regional district
38 as a result of the foregoing procedures a limited purpose regional
39 school district shall be left with only one constituent local school
40 district, such regional school district shall be dissolved upon the
41 effective date of the withdrawal of the other constituent school
42 districts, and such remaining constituent municipality shall
43 thenceforth be constituted a separate local school district and
44 governed by the laws applicable thereto. If all of the local
45 districts withdraw from the regional district, such regional
46 district shall be dissolved upon the effective date of the last
47 withdrawal, and its assets and liabilities shall devolve upon the
48 respective withdrawing districts in accordance with the division
49 made by the county superintendent as provided in section 12
50 hereof.

51 Upon the effective date of a dissolution of a regional district
52 each constituent municipality shall thenceforth be constituted a
53 separate local school district and be governed by the laws
54 applicable thereto, and its assets and liabilities shall devolve upon

1 the respective constituent districts in accordance with the
2 division made by the county superintendent as provided in section
3 12 of P.L.1975, c.360 (C.18A:13-62).

4 (cf: P.L.1975, c.360, s.13)

5 13. Section 14 of P.L.1975, c.360 (C.18A:13-64) is amended to
6 read as follows:

7 14. All employees of the regional district shall continue in
8 their respective positions in the withdrawing district , or in each
9 of the constituent districts in the event of a dissolution, and all
10 of their rights of tenure, seniority, pension, leave of absence and
11 other similar benefits shall be recognized and preserved and any
12 periods of prior employment in the regional district shall count
13 toward the acquisition of tenure to the same extent as if all such
14 employment had been under the withdrawing district or in any of
15 the constituent districts in the event of a dissolution. [Any] In
16 the event of a withdrawal, any tenured employee in a school
17 located in the withdrawing district who desires to remain in the
18 employ of the regional district, and whose seniority under
19 existing tenure laws so permits, may apply for and shall be
20 granted a transfer to a position with the regional district for
21 which he is certified which is vacant, held by a tenured employee
22 with less seniority or by an employee without tenure; applications
23 for such transfers shall be made within 45 days of the date of the
24 special school election at which the withdrawal was approved.

25 (cf: P.L.1975, c.360, s.14)

26 14. This act shall take effect immediately.

27

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31 Provides procedure for dissolution of limited purpose regional
32 school district.

ASSEMBLY AED COMMITTEE

ADOPTED

AMENDMENTS

MAR 04 1993

to

ASSEMBLY, No. 2294

(Sponsored by Assemblymen BAGGER & LUSTBADER)

REPLACE SECTION 8 TO READ:

8. Section 9 of P.L.1975, c.360 (C.18A:13-59) is amended to read as follows:

9. If the question is adopted at said elections, the withdrawal of the district or the dissolution of the regional district shall become effective upon a date to be determined by the commissioner of education. For dissolution of a regional district¹ which spent more than \$15,000 per pupil in the 1992-93 school year¹, the question shall be deemed adopted if it receives an affirmative vote in a majority of the individual constituent districts and it receives an affirmative vote of a majority of the overall votes cast in the entire regional district.

(cf: P.L.1977, c.279, s.4)

[SECOND REPRINT]

ASSEMBLY, No. 2294

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 18, 1993

By Assemblymen BAGGER, LUSTBADER, Mikulak,
Augustine and Assemblywoman Ogden

1 AN ACT concerning limited purpose regional school districts and
2 revising various parts of the statutory law.

3

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

6 1. Section 1 of P.L.1975, c.360 (C.18A:13-51) is amended to
7 read as follows:

8 1. The board of education of any local school district
9 constituting part of a limited purpose regional school district or
10 the governing body of the municipality constituting a constituent
11 district may, by resolution, apply to the county superintendent of
12 schools to make an investigation as to the advisability of
13 withdrawal of such local district from the regional district.

14 A majority of the boards of education of the school districts
15 which constitute a limited purpose regional school district and a
16 majority of the governing bodies of the municipalities which
17 constitute the constituent school districts of a limited purpose
18 regional school district may, by separate resolutions, apply to the
19 county superintendent of schools to make an investigation as to
20 the advisability of the dissolution of the regional district.

21 ²Within 21 days following adoption of the resolution or
22 resolutions required pursuant to this section, the county
23 superintendent shall call a meeting of representatives of each
24 constituent governing body, each board of education constituting
25 part of the regional district, and the board of education of the
26 regional district to review the procedures to be followed for the
27 withdrawal from, or dissolution of, the limited purpose regional
28 district. This meeting, however, may be called by the county
29 superintendent prior to the adoption of the required resolutions.²

30 (cf: P.L.1975, c.360, s.1)

31 2. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to
32 read as follows:

33 2. The county superintendent shall, within 60 days after such
34 request, file with the governing bodies of the municipalities
35 constituting the regional district and the boards of education of
36 all of the constituent school districts and the board of education
37 of the regional school district a report containing a statement of
38 the current assets and operating expenses of the regional district
39 for the then current year and such financial, educational and
40 other information as he may deem necessary to enable said

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AED Committee amendments adopted March 4, 1993.

² Assembly floor amendments adopted June 17, 1993.

1 governing bodies and local boards of education and regional board
2 of education to form an intelligent judgment as to the
3 advisability of the proposed withdrawal or dissolution and the
4 effect thereof upon the educational and financial condition of the
5 withdrawing district and the regional district , or upon each of
6 the constituent districts in the event of a dissolution, and setting
7 forth the amount of indebtedness, if any, to be assumed by the
8 withdrawing and the regional districts, or by each constituent
9 district in the event of a dissolution, calculated as hereinafter
10 provided.

11 ²The county superintendent may require the constituent
12 municipalities and school districts and the regional district to
13 submit a feasibility study in order to determine the educational
14 and financial impact of the withdrawal from, or dissolution of,
15 the limited purpose regional district. In the event the county
16 superintendent requests a feasibility study to be conducted, the
17 county superintendent's report required pursuant to this section
18 shall be filed within 60 days following submission of the
19 feasibility study.²

20 (cf: P.L.1977, c.279, s.1)

21 3. Section 3 of P.L.1975, c.360 (C.18A:13-53) is amended to
22 read as follows:

23 3. The county superintendent shall calculate the amount of
24 indebtedness relating to buildings, grounds, furnishings,
25 equipment and additions thereto so to be assumed on the basis of
26 the proportion which the replacement cost of the buildings,
27 grounds, furnishings, equipment, and additions thereto of the
28 regional district situated in the withdrawing district , or in each
29 of the constituent districts in the event of a dissolution, bears to
30 the replacement cost of the buildings, grounds, furnishings,
31 equipment and additions thereto situated in the entire regional
32 district. Said replacement cost shall be determined according to
33 rules prescribed by the commissioner with the approval of the
34 State board and in accordance with recognized accounting
35 practices. The county superintendent shall also calculate the
36 amount of all other indebtedness and unfunded liabilities to be so
37 assumed on an equitable basis.

38 (cf: P.L.1977, c.279, s.2)

39 4. Section 4 of P.L.1975, c.360 (C.18A:13-54) is amended to
40 read as follows:

41 4. The municipal governing body or the board of education of
42 the withdrawing district or the municipal governing body and the
43 board of education of each constituent district seeking dissolution
44 may, within 30 days after the filing of the report by the county
45 superintendent, petition the commissioner for permission to
46 submit to the legal voters of the withdrawing district and the
47 remaining districts within the regional district the question
48 whether or not it shall so withdraw [, and in such petition the] or
49 in the event of a dissolution to submit to the legal voters of each
50 constituent district whether the regional district shall dissolve.
51 The board may request in the petition any specific reduction or
52 increase in the amount of indebtedness to be assumed as set forth
53 in the county superintendent's report. Proof of the service of a
54 copy of the petition upon the municipal governing body and the

1 board of education of each constituent district, the board of
2 education of the regional district, and the county superintendent,
3 prior to the filing of the petition, shall accompany the petition.

4 (cf: P.L.1975, c.360, s.4)

5 5. Section 6 of P.L.1975, c.360 (C.18A:13-56) is amended to
6 read as follows:

7 6. Within 15 days after the filing of the answers to the
8 petition, the Commissioner of Education shall submit the petition
9 and answers to a board of review consisting of the commissioner
10 ²[himself,]² as chairman, ²a member of the State Board of
11 Education to be appointed by the president thereof,² the State
12 Treasurer or his designee and the Director of the Division of
13 Local Government Services in the Department of Community
14 Affairs, for a determination as to whether or not the petition
15 should be granted, and if so, the amount of indebtedness, if any,
16 to be assumed by the remaining and the new district , or by each
17 of the constituent districts in the event of a dissolution, upon
18 approval of the legal voters ²[of the withdrawing district and the
19 remaining districts , or of each of the constituent districts in the
20 event of a dissolution,] pursuant to section 9 of P.L.1975, c.360
21 (C.18A:13-59)² at a special school election. The board of review
22 shall consider the effect of the proposed withdrawal or
23 dissolution upon the educational and financial condition of the
24 withdrawing and the remaining districts , or upon each of the
25 constituent districts in the event of a dissolution, and shall
26 schedule and hold a public hearing on the petition upon the
27 application of any interested party. In considering the effect of
28 the proposed withdrawal or dissolution upon the educational and
29 financial condition of the withdrawing and remaining districts , or
30 upon each of the constituent districts in the event of a
31 dissolution, the board of review shall:

32 a. Consent to the granting of the application; or

33 b. Oppose the same because, if the same be granted--

34 1. An excessive debt burden will be imposed upon the
35 remaining districts, or the withdrawing district , or upon ²[each]
36 any² of the constituent districts in the event of a dissolution;

37 2. An efficient school system cannot be maintained in the
38 remaining districts or the withdrawing district , or in any of the
39 constituent districts in the event of a dissolution, without
40 excessive costs;

41 3. Insufficient pupils will be left in the remaining districts , or
42 in any of the constituent districts in the event of a dissolution, to
43 maintain a properly graded school system; or

44 4. Any other reason, which it may deem to be sufficient; or

45 c. Request that if the petition be granted, the amount of debt
46 which the remaining districts , or any of the constituent districts
47 in the event of a dissolution, would be required to assume,
48 calculated as hereinbefore provided, be reduced for the reason
49 that--

50 1. Such amount of indebtedness, together with all other
51 indebtedness of the municipalities or school districts would be
52 excessive;

53 2. The amount of expenditure for debt service which would be
54 required would be so great that sufficient funds would not be

1 available for current expenses without excessive taxation; or
2 3. Such amount of indebtedness is inequitable in relation to the
3 value of the property to be acquired by the remaining districts ,
4 or by any of the constituent districts in the event of a dissolution,
5 and would materially impair the credit of the municipalities or
6 such districts and the ability to pay punctually the principal and
7 interest of their debt and to supply such essential educational
8 facilities and public improvements and services as might
9 reasonably be anticipated would be required of them.

10 The board of review shall make its findings and determination,
11 by the recorded vote of at least ²[two] three² of the ²[three]
12 four² members of the board, within 60 days of the receipt of the
13 petition and answers.

14 (cf: P.L.1975, c.360, s.6)

15 6. Section 7 of P.L.1975, c.360 (C.18A:13-57) is amended to
16 read as follows:

17 7. If the application be granted, the county superintendent
18 shall, after conferring with the boards of education of the
19 constituent [district] districts , fix a day and a time on said day
20 for holding a special school election, at which time the question
21 whether or not the withdrawing school district shall withdraw
22 from the regional district or whether the regional district shall be
23 dissolved, whichever shall be applicable, shall be submitted to the
24 legal voters of the withdrawing district and to the legal voters
25 within the remainder of the regional district or to the legal
26 voters of each of the constituent districts in the event of a
27 dissolution.

28 (cf: P.L.1977, c.279, s.3)

29 7. Section 8 of P.L.1975, c.360 (C.18A:13-58) is amended to
30 read as follows:

31 8. The amount of indebtedness to be assumed by the
32 withdrawing district or by each of the constituent districts in the
33 event of a dissolution and the effect of such indebtedness upon
34 the borrowing margin of the municipality, the withdrawing
35 district, the remaining districts, and the remaining municipalities
36 within the regional district , or by each of the constituent
37 districts and municipalities within the regional district in the
38 event of a dissolution, shall be stated in the notices and
39 advertisements of the special school election and in the ballots to
40 be used therein, and said election shall be conducted and the
41 results thereof determined in the manner prescribed by law for
42 special school elections in type II districts. The result shall be
43 certified within 5 days after the holding of the election to the
44 county superintendent and to the boards of education of the
45 withdrawing district, the regional district and the constituent
46 districts within the regional district , or to the boards of
47 education of each of the constituent districts in the event of a
48 dissolution.

49 (cf: P.L.1975, c.360, s.8)

50 8. Section 9 of P.L.1975, c.360 (C.18A:13-59) is amended to
51 read as follows:

52 9. If the question is adopted at said elections, the withdrawal
53 of the district or the dissolution of the regional district shall
54 become effective upon a date to be determined by the

1 commissioner of education. ²For withdrawal from a regional
2 district, the question shall be deemed adopted if it receives an
3 affirmative vote of a majority of the votes cast within the
4 withdrawing constituent district and it receives an affirmative
5 vote of a majority of the overall votes cast in the entire regional
6 district.² For dissolution of a regional district ²[¹which spent
7 more than \$15,000 per pupil in the 1992-93 school year¹]², the
8 question shall be deemed adopted if it receives an affirmative
9 vote in a majority of the individual constituent districts and it
10 receives an affirmative vote of a majority of the overall votes
11 cast in the entire regional district.

12 (cf: P.L.1977, c.279, s.4)

13 9. Section 10 of P.L.1975, c.360 (C.18A:13-60) is amended to
14 read as follows:

15 10. The members of the board of education of the regional
16 district shall continue in office until the withdrawal of the
17 district or the dissolution of the regional district has become
18 effective. When [such] a withdrawal has taken effect, the terms
19 of those members of the regional board who reside in the
20 withdrawing district shall thereupon expire, and the vacancies so
21 occurring shall be reapportioned among the remaining districts
22 and filled by appointment by the county superintendent to serve
23 until the next annual school election of the regional district, at
24 which time their successors shall be elected in accordance with
25 such reapportionment.

26 (cf: P.L.1975, c.360, s.10)

27 10. Section 11 of P.L.1975, c.360 (C.18A:13-61) is amended to
28 read as follows:

29 11. The withdrawing district and the remaining districts, or
30 each constituent district in the event of a dissolution, shall take
31 title to and control of all school grounds and buildings, and the
32 furnishings and equipment therein, other than those which had
33 been rotated or shared among the regional schools, situated in
34 their respective districts on the effective date of withdrawal or
35 dissolution as established by the commissioner. The county
36 superintendent shall allot a fair proportion of the shared or
37 rotated furnishings and equipment to the withdrawing district or
38 to each of the constituent districts in the event of a dissolution.

39 Upon the assumption of title, each board shall also assume such
40 amount of the indebtedness of the original regional school district
41 as shall have been determined by the board of review. [The] In
42 the event of a withdrawal, the withdrawing district shall pay to
43 the regional board of education, at least 5 days before it becomes
44 due, the amount of the principal and interest of the assumed
45 indebtedness; such principal and interest shall be paid by the
46 regional board, together with such amount due on its assumed
47 indebtedness, at and when it becomes due and payable. In the
48 event of a dissolution, the county superintendent and board of
49 review, in determining the amount of indebtedness to be assumed
50 by each constituent district, shall give due regard to the value of
51 school buildings and grounds being conveyed to the constituent
52 district in which those buildings and grounds are located.

53 (cf: P.L.1977, c.279, s.5)

54 11. Section 12 of P.L.1975, c.360 (C.18A:13-62) is amended to

1 read as follows:

2 12. The county superintendent in a written report filed by him
3 at the end of the school year preceding that in which the
4 withdrawal or dissolution becomes effective shall make a division
5 of the assets and liabilities between the withdrawing district and
6 the regional district , or among the constituent districts in the
7 event of a dissolution, in the same manner as provided in
8 N.J.S.18A:8-24.
9 (cf: P.L.1975, c.360, s.12)

10 12. Section 13 of P.L.1975, c.360 (C.18A:13-63) is amended to
11 read as follows:

12 13. If in the event of a withdrawal from the regional district
13 as a result of the foregoing procedures a limited purpose regional
14 school district shall be left with only one constituent local school
15 district, such regional school district shall be dissolved upon the
16 effective date of the withdrawal of the other constituent school
17 districts, and such remaining constituent municipality shall
18 thenceforth be constituted a separate local school district and
19 governed by the laws applicable thereto. If all of the local
20 districts withdraw from the regional district, such regional
21 district shall be dissolved upon the effective date of the last
22 withdrawal, and its assets and liabilities shall devolve upon the
23 respective withdrawing districts in accordance with the division
24 made by the county superintendent as provided in section 12
25 hereof.

26 Upon the effective date of a dissolution of a regional district
27 each constituent municipality shall thenceforth be constituted a
28 separate local school district and be governed by the laws
29 applicable thereto, and its assets and liabilities shall devolve upon
30 the respective constituent districts in accordance with the
31 division made by the county superintendent as provided in section
32 12 of P.L.1975, c.360 (C.18A:13-62).
33 (cf: P.L.1975, c.360, s.13)

34 13. Section 14 of P.L.1975, c.360 (C.18A:13-64) is amended to
35 read as follows:

36 14. All employees of the regional district shall continue in
37 their respective positions in the withdrawing district , or in each
38 of the constituent districts in the event of a dissolution, and all
39 of their rights of tenure, seniority, pension, leave of absence and
40 other similar benefits shall be recognized and preserved and any
41 periods of prior employment in the regional district shall count
42 toward the acquisition of tenure to the same extent as if all such
43 employment had been under the withdrawing district or in any of
44 the constituent districts in the event of a dissolution. [Any] In
45 the event of a withdrawal, any tenured employee in a school
46 located in the withdrawing district who desires to remain in the
47 employ of the regional district, and whose seniority under
48 existing tenure laws so permits, may apply for and shall be
49 granted a transfer to a position with the regional district for
50 which he is certified which is vacant, held by a tenured employee
51 with less seniority or by an employee without tenure; applications
52 for such transfers shall be made within 45 days of the date of the
53 special school election at which the withdrawal was approved.
54 (cf: P.L.1975, c.360, s.14)

1 ²14. The State Board of Education shall promulgate
2 regulations pursuant to the "Administrative Procedure Act," P.L.
3 1968, c. 410 (C.52:14B-1 et seq.) necessary to effectuate the
4 provisions of this act.²

5 ²[14.] 15.² This act shall take effect immediately.

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10 Provides procedure for dissolution of limited purpose regional
11 school district.