

# 18A:38-19

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2001                      **CHAPTER:** 285  
**NJSA:** 18A:38-19            (Eliminates parity remedy for school tuition)  
**BILL NO:** A1675

**SPONSOR(S):** Myers and Lance

**DATE INTRODUCED:** Pre-filed

**COMMITTEE:**                      **ASSEMBLY:** Education; Appropriations

**SENATE:** Education; Budget

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**                      **ASSEMBLY:** June 26, 2000  
**SENATE:** December 17, 2001

**DATE OF APPROVAL:** December 27, 2001

### FOLLOWING ARE ATTACHED IF AVAILABLE:

**FINAL TEXT OF BILL** (First reprint enacted)

**A1675**

**SPONSORS STATEMENT:** (Begins on page 2 of original bill)                      Yes

**COMMITTEE STATEMENT:**                      **ASSEMBLY:**                      Yes    5-8-2000(Education)  
6-8-2000(Appropriations)

**SENATE:**                      Yes    3-15-2001(Education)  
12-13-2001(Budget)

**FLOOR AMENDMENT STATEMENTS:**                      No

**LEGISLATIVE FISCAL ESTIMATE:**                      Yes

**VETO MESSAGE:**                      No

**GOVERNOR'S PRESS RELEASE ON SIGNING:**

No

**FOLLOWING WERE PRINTED:**

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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

Case referred to in statements: Abbott v. Burke, 149 NJ 145 (May 14, 1997)

# ASSEMBLY, No. 1675

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## STATE OF NEW JERSEY

### 209th LEGISLATURE

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PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Assemblywoman CONNIE MYERS**

**District 23 (Warren, Hunterdon and Mercer)**

**Assemblyman LEONARD LANCE**

**District 23 (Warren, Hunterdon and Mercer)**

**SYNOPSIS**

Eliminates parity remedy aid in the calculation of tuition for school districts which send pupils to an Abbott district.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning tuition in certain sending-receiving school district  
2 relationships and amending N.J.S.18A:38-19.

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

6  
7 1. N.J.S.18A:38-19 is amended to read as follows:

8 18A:38-19. a. Whenever the pupils of any school district are  
9 attending public school in another district, within or without the state,  
10 pursuant to this article, the board of education of the receiving district  
11 shall determine a tuition rate to be paid by the board of education of  
12 the sending district to an amount not in excess of the actual cost per  
13 pupil as determined under rules prescribed by the commissioner and  
14 approved by the state board, and such tuition shall be paid by the  
15 custodian of school moneys of the sending district out of any moneys  
16 in his hands available for current expenses of the district upon order  
17 issued by the board of education of the sending district, signed by its  
18 president and secretary, in favor of the custodian of school moneys of  
19 the receiving district.

20 b. Notwithstanding the provisions of subsection a. of this section,  
21 whenever the pupils of any school district are attending public school  
22 in an Abbott district as defined pursuant to section 3 of P.L.1996,  
23 c.138 (C.18A:7F-3), any expenditures associated with amounts  
24 appropriated to the Abbott district as parity remedy aid shall not be  
25 included in the actual cost per pupil for the calculation of the tuition  
26 to be paid by the sending district.

27 (cf: N.J.S.18A:38-19)

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29 2. This act shall take effect immediately and shall first apply to the  
30 2000-2001 school year.

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#### STATEMENT

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35 This bill is necessary to protect school districts which send students  
36 to Abbott districts from prohibitive increases in tuition rates. Under  
37 the provisions of the May 14, 1997 order of the New Jersey Supreme  
38 Court, the Abbott districts have received significant increases in State  
39 aid (parity remedy aid). Since tuition rates in sending-receiving  
40 relationships are based on the "actual cost per pupil," these additional  
41 resources have enabled the Abbott districts to increase their per pupil  
42 spending which can lead to escalating tuition rates for their sending  
43 districts. While this issue has been controlled through budget

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

**Matter underlined thus is new matter.**

**A1675 MYERS, LANCE**

3

1 language for the 1997-98, 1998-99 and 1999-2000 school years, this  
2 bill is necessary to protect these sending districts in future school  
3 years.

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1675**

with committee amendments

**STATE OF NEW JERSEY**

DATED: MAY 8, 2000

The Assembly Education Committee favorably reports Assembly Bill No. 1675 with committee amendments.

As amended by committee, this bill provides that beginning in the 2000-2001 school year and thereafter, any State aid received by an Abbott district pursuant to law or court order, which is based solely on the district's designation as an Abbott district, shall not be included in the calculation of the actual per pupil tuition cost charged to a school district which sends pupils to an Abbott district.

The committee amended the bill to provide that additional Abbott v. Burke State aid that an Abbott districts receives shall not be included in the calculation of the tuition rate to determine per pupil tuition charged to a school district which sends pupils to an Abbott district.

[First Reprint]

**ASSEMBLY, No. 1675**

**STATE OF NEW JERSEY**  
**209th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

**Sponsored by:**

**Assemblywoman CONNIE MYERS**

**District 23 (Warren, Hunterdon and Mercer)**

**Assemblyman LEONARD LANCE**

**District 23 (Warren, Hunterdon and Mercer)**

**Co-Sponsored by:**

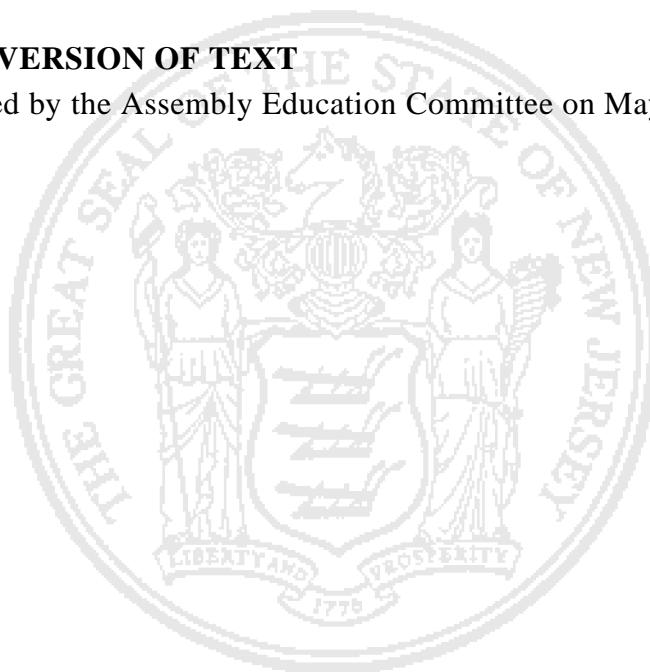
**Assemblyman Blee**

**SYNOPSIS**

Eliminates parity remedy aid and additional Abbott v. Burke State aid in the calculation of tuition for school districts which send pupils to an Abbott district.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Education Committee on May 8, 2000, with amendments.



**(Sponsorship Updated As Of: 6/9/2000)**

1 AN ACT concerning tuition in certain sending-receiving school district  
2 relationships and amending N.J.S.18A:38-19.

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

6  
7 1. N.J.S.18A:38-19 is amended to read as follows:

8 18A:38-19. a. Whenever the pupils of any school district are  
9 attending public school in another district, within or without the state,  
10 pursuant to this article, the board of education of the receiving district  
11 shall determine a tuition rate to be paid by the board of education of  
12 the sending district to an amount not in excess of the actual cost per  
13 pupil as determined under rules prescribed by the commissioner and  
14 approved by the state board, and such tuition shall be paid by the  
15 custodian of school moneys of the sending district out of any moneys  
16 in his hands available for current expenses of the district upon order  
17 issued by the board of education of the sending district, signed by its  
18 president and secretary, in favor of the custodian of school moneys of  
19 the receiving district.

20 b. Notwithstanding the provisions of subsection a. of this section,  
21 whenever the pupils of any school district are attending public school  
22 in an Abbott district as defined pursuant to section 3 of P.L.1996,  
23 c.138 (C.18A:7F-3), any expenditures associated with amounts  
24 appropriated to the Abbott district as <sup>1</sup>Abbott v. Burke<sup>1</sup> parity remedy  
25 aid <sup>1</sup>or additional Abbott v. Burke State aid<sup>1</sup> shall not be included in  
26 the actual cost per pupil for the calculation of the tuition to be paid by  
27 the sending district.

28 (cf: N.J.S.18A:38-19)

29

30 2. This act shall take effect immediately and shall first apply to the  
31 2000-2001 school year.

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

**Matter underlined thus is new matter.**

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

<sup>1</sup> Assembly AED committee amendments adopted May 8, 2000.



# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

### ASSEMBLY, No. 1675

# STATE OF NEW JERSEY

DATED: JUNE 8, 2000

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1675 (1R).

Assembly Bill No. 1675 (1R) provides that, beginning in the 2000-2001 school year and thereafter, any "Abbott v. Burke parity remedy aid" and "additional Abbott v. Burke State aid" received by an Abbott district shall not be included in the calculation of the actual per pupil tuition cost charged to a school district that sends pupils to an Abbott district.

Tuition rates in sending-receiving relationships are based on the statutorily defined "actual cost per pupil." Under the provisions of the May 14, 1997 order of the New Jersey Supreme Court, the Abbott districts have received significant increases in State aid. These additional resources have enabled the Abbott districts to increase their per pupil spending, which can lead to escalating tuition rates for their sending districts. The bill limits the effects of the additional State aid on the sending districts.

#### FISCAL IMPACT:

This bill will have no State budget impact. No district cost impact information has been made available by the Department of Education. This bill codifies language that has been in the annual appropriations act for the FY1998, FY1999 and FY2000 budgets. The Governor's budget proposal for FY2001 recommends increasing Abbott v. Burke parity remedy aid from the FY2000 level of \$254.4 million to \$328 million, increasing additional Abbott v. Burke State aid from the FY2000 level of \$37 million to \$104 million, and incorporating similar language excluding those aid amounts from the calculation of the "actual cost per pupil" for tuition purposes.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## ASSEMBLY, No. 1675

### STATE OF NEW JERSEY

#### 209th LEGISLATURE

DATED: JUNE 23, 2000

#### SUMMARY

- Synopsis:** Eliminates parity remedy aid and additional Abbott v. Burke State aid in the calculation of tuition for school districts which send pupils to an Abbott district.
- Type of Impact:** Codifies budget language which has been approved since FY 1998 and which is recommended for FY 2001. No change in expenditures for affected agencies.
- Agencies Affected:** Local boards of education sending pupils to Abbott districts.

#### Office of Legislative Services Estimate

Fiscal Impact	Year 1	Year 2	Year 3
Local Cost	No Change (see discussion)	No Change (see discussion)	No Change (see discussion)

- ! Assembly, No. 1675 (1R) provides that beginning in the 2000-2001 school year and thereafter, any State aid received by an Abbott district pursuant to law or court order, which is based solely on the district's designation as an Abbott district, shall not be included in the calculation of the actual per pupil tuition cost charged to a school district which sends pupils to an Abbott district.
- ! Since FY 1998, the year in which Abbott v. Burke Parity Remedy Aid was initially appropriated for the 28 (now 30) Abbott school districts pursuant to the May 14, 1997 order of the New Jersey Supreme Court, budget language in the annual appropriations act has excluded expenditures associated with such aid from being included in the calculation of actual cost per pupil for the calculation of sending district tuition charges.

#### BILL DESCRIPTION

Assembly, No. 1675 (1R) provides that beginning in the 2000-2001 school year and thereafter, any State aid received by an Abbott district pursuant to law or court order, which is

based solely on the district's designation as an Abbott district, shall not be included in the calculation of the actual per pupil tuition cost charged to a school district which sends pupils to an Abbott district.

Under the provisions of the May 14, 1997 order of the New Jersey Supreme Court, the Abbott districts have received significant increases in State aid (parity remedy aid). Since tuition rates in sending-receiving relationships are based on the "actual cost per pupil," these additional resources have enabled the Abbott districts to increase their per pupil spending which could result in higher tuition rates for their sending districts.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

Under the provisions of the May 14, 1997 order of the New Jersey Supreme Court, the Abbott districts have received significant increases in State aid (parity remedy aid). Since tuition rates in sending-receiving relationships are based on the "actual cost per pupil" (N.J.S.18A:38-19, ". . . , the board of education of the receiving district shall determine a tuition rate to be paid by the board of education of the sending district to an amount not in excess of the actual cost per pupil as determined under rules prescribed by the commissioner and approved by the state board, . . ."), the additional resources received by Abbott districts under the court order have enabled the Abbott districts to increase their per pupil spending (actual cost per pupil) which could result in higher tuition rates for their sending districts.

The Office of Legislative Services (OLS) notes that since FY 1998, the year in which Abbott v. Burke Parity Remedy Aid was initially appropriated for the 28 (now 30) Abbott school districts pursuant to the May 14, 1997 order of the New Jersey Supreme Court, budget language in the annual appropriations act has excluded expenditures associated with such aid from being included in the calculation of actual cost per pupil for the calculation of sending district tuition charges. Similar language (now also including any Additional Abbott v. Burke State Aid) is recommended for inclusion in the FY 2001 appropriations act. OLS also notes, therefore, that no additional local funds are required to implement this bill.

Section: *Education*

Analyst: *Theodore C. Settle*  
*Lead Research Analyst*

Approved: *Alan R. Kooney*  
*Legislative Budget and Finance Officer*

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

SENATE EDUCATION COMMITTEE

STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 1675**

**STATE OF NEW JERSEY**

DATED: MARCH 15, 2001

The Senate Education Committee reports favorably Assembly Bill No. 1675 (1R) without recommendations.

This bill provides that, beginning in the 2000-2001 school year and thereafter, any "Abbott v. Burke parity remedy aid" and "additional Abbott v. Burke State aid" received by an Abbott district shall not be included in the calculation of the actual per pupil tuition cost charged to a school district that sends pupils to an Abbott district.

Tuition rates in sending-receiving relationships are based on the actual cost per pupil. Under the provisions of the May 14, 1997 order of the New Jersey Supreme Court, the Abbott districts have received significant increases in State aid. These additional resources have enabled the Abbott districts to increase their per pupil spending, which can lead to escalating tuition rates for their sending districts. The bill limits the effects of the additional State aid on the sending districts.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

### ASSEMBLY, No. 1675

# STATE OF NEW JERSEY

DATED: DECEMBER 13, 2001

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1675 (1R).

Assembly Bill No. 1675 (1R) provides that, beginning in the 2000-2001 school year and thereafter, any "Abbott v. Burke parity remedy aid" and "additional Abbott v. Burke State aid" received by an Abbott district shall not be included in the calculation of the actual per pupil tuition cost charged to a school district that sends pupils to an Abbott district.

This bill codifies language that has been in the annual appropriations act each year since FY1998.

Tuition rates in sending-receiving relationships are based on the statutorily defined "actual cost per pupil." Under the provisions of the May 14, 1997 order of the New Jersey Supreme Court, the Abbott districts have received significant increases in State aid. These additional resources have enabled the Abbott districts to increase their per pupil spending, which can lead to escalating tuition rates for their sending districts. The bill limits the effects of the additional State aid on the sending districts.

#### FISCAL IMPACT:

This bill will have no State budget impact. No district cost impact information has been made available by the Department of Education.

P.L. 2001, CHAPTER 285, *approved December 27, 2001*  
Assembly, No. 1675 (*First Reprint*)

1 **AN ACT** concerning tuition in certain sending-receiving school district  
2 relationships and amending N.J.S.18A:38-19.

3

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

6

7 1. N.J.S.18A:38-19 is amended to read as follows:

8 18A:38-19. a. Whenever the pupils of any school district are  
9 attending public school in another district, within or without the state,  
10 pursuant to this article, the board of education of the receiving district  
11 shall determine a tuition rate to be paid by the board of education of  
12 the sending district to an amount not in excess of the actual cost per  
13 pupil as determined under rules prescribed by the commissioner and  
14 approved by the state board, and such tuition shall be paid by the  
15 custodian of school moneys of the sending district out of any moneys  
16 in his hands available for current expenses of the district upon order  
17 issued by the board of education of the sending district, signed by its  
18 president and secretary, in favor of the custodian of school moneys of  
19 the receiving district.

20 b. Notwithstanding the provisions of subsection a. of this section,  
21 whenever the pupils of any school district are attending public school  
22 in an Abbott district as defined pursuant to section 3 of P.L.1996,  
23 c.138 (C.18A:7F-3), any expenditures associated with amounts  
24 appropriated to the Abbott district as <sup>1</sup>Abbott v. Burke<sup>1</sup> parity remedy  
25 aid <sup>1</sup>or additional Abbott v. Burke State aid<sup>1</sup> shall not be included in  
26 the actual cost per pupil for the calculation of the tuition to be paid by  
27 the sending district.

28 (cf: N.J.S.18A:38-19)

29

30 2. This act shall take effect immediately and shall first apply to the  
31 2000-2001 school year.

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36 Eliminates parity remedy aid and additional Abbott v. Burke State aid  
37 in the calculation of tuition for school districts which send pupils to an  
38 Abbott district.

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

**Matter underlined thus is new matter.**

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

<sup>1</sup> Assembly AED committee amendments adopted May 8, 2000.

## CHAPTER 285

**AN ACT** concerning tuition in certain sending-receiving school district relationships and amending N.J.S.18A:38-19.

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

1. N.J.S.18A:38-19 is amended to read as follows:

Tuition of pupils attending school in another district.

18A:38-19. a. Whenever the pupils of any school district are attending public school in another district, within or without the State, pursuant to this article, the board of education of the receiving district shall determine a tuition rate to be paid by the board of education of the sending district to an amount not in excess of the actual cost per pupil as determined under rules prescribed by the commissioner and approved by the State board, and such tuition shall be paid by the custodian of school moneys of the sending district out of any moneys in his hands available for current expenses of the district upon order issued by the board of education of the sending district, signed by its president and secretary, in favor of the custodian of school moneys of the receiving district.

b. Notwithstanding the provisions of subsection a. of this section, whenever the pupils of any school district are attending public school in an Abbott district as defined pursuant to section 3 of P.L.1996, c.138 (C.18A:7F-3), any expenditures associated with amounts appropriated to the Abbott district as Abbott v. Burke parity remedy aid or additional Abbott v. Burke State aid shall not be included in the actual cost per pupil for the calculation of the tuition to be paid by the sending district.

2. This act shall take effect immediately and shall first apply to the 2000-2001 school year.

Approved December 27, 2001.