

LEGISLATIVE FISCAL ESTIMATE
[First Reprint]
SENATE, No. 3349
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: FEBRUARY 15, 2023

SUMMARY

Synopsis: Permits BOE to admit nonresident student for participation in school sport or other extracurricular activity.

Type of Impact: Annual revenue increase for local school districts.

Agencies Affected: School districts.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
School District Revenue Increase	Indeterminate

- The Office of Legislative (OLS) determines that this bill will lead to an indeterminate annual revenue increase for local school districts to the extent that tuition would be paid by the parents or guardians of nonresident students admitted to the school district for the purposes of participation in a school sport or other extracurricular activity.
- The OLS does not have sufficient information to forecast the extent to which school districts, which otherwise may not have charged tuition, would realize revenue increases as a result of newly charging tuition to nonresident students who are admitted for the purposes of participation in a sport or extracurricular activity.

BILL DESCRIPTION

This bill permits a board of education to admit a nonresident student for participation in a school sport or other extracurricular activity, provided that the board consents to the admission and that tuition equal to the actual cost per pupil is paid.

FISCAL ANALYSIS***EXECUTIVE BRANCH***

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that this bill will lead to an indeterminate annual revenue increase for local school districts to the extent that tuition would be paid by the parents or guardians of nonresident students admitted to the school district for the purposes of participation in a school sport or other extracurricular activity. However, the OLS does not have sufficient information to forecast the extent to which school districts, which otherwise may not have charged tuition, would realize revenue increases as a result of newly charging tuition to non-resident students who are admitted for the purposes of participation in a sport or extracurricular activity.

The bill requires charging tuition equal to the actual cost per pupil. The OLS notes, for the purposes of illustration only, that information included in the most recent version of the Department of Education's Taxpayers' Guide to Education Spending indicates that the Statewide average for actual budgetary per pupil cost in the 2020-2021 school year was \$16,823. The budgetary per pupil cost in the guide, as calculated by the department, generally measures the annual costs incurred for students educated within district schools, using local taxes and State aid. The costs factored in this per pupil calculation are not exhaustive; rather, the costs included in the calculation are those considered more comparable across school districts. The OLS shares this figure only to provide a sense of the potential magnitude of tuition costs but recognizes that the actual cost per pupil charged for tuition purposes may vary significantly by district.

Finally, while the bill is not explicit in this regard, the OLS assumes that boards of education admitting students under the provisions of the bill would not be responsible for providing transportation services to those students.

Section: *Education*
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 Legislative Budget and Finance Officer

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

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).