

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 3614

STATE OF NEW JERSEY

222nd LEGISLATURE

DATED: JUNE 11, 2026

SUMMARY

- Synopsis:** Clarifies payments for non-resident students enrolled in renaissance school projects.
- Type of Impact:** Expenditure increase for certain school districts. Revenue gain for certain renaissance school projects.
- Agencies Affected:** Local school districts; renaissance school projects.

Office of Legislative Services Estimate

Fiscal Impact	Annual
Non-Renaissance School District Expenditure Increase	Up to \$600,000
Renaissance School Project Revenue Increase	Up to \$600,000

- The Office of Legislative Services (OLS) concludes that this bill will lead to a cost increase for certain non-renaissance school districts that are resident school districts for students attending a renaissance school project in the Camden City School District. While the OLS does not have access to student-level information concerning the specific school districts in which nonresident students of each renaissance school project reside, it estimates that total costs borne by these school districts would be up to \$600,000 annually.
- According to the most recent information provided in the Renaissance School Project Annual Reports, renaissance school projects do not currently collect tuition revenue for students not residing in Camden City. The bill will lead to the renaissance school projects experiencing revenue gains as non-renaissance school districts make payments pursuant to the provisions of the bill.

BILL DESCRIPTION

This bill clarifies the provision of payments for nonresident students who enroll at a renaissance school project.

Under current law, the school district in which a renaissance school project is located is required to pay to the nonprofit entity partnering with the renaissance school project a per pupil

amount. However, current law does not specify whether the amount is to be paid for all students enrolled in the renaissance school project or only students resident in the district.

The bill clarifies that the school district in which a renaissance school project is located is required to pay the per pupil amount for each student who resides in the district. For all students residing outside of the renaissance school district who are enrolled in the renaissance school project in accordance with the lottery enrollment provisions of the Urban Hope Act, the student's school district of residence would be required to pay the per pupil amount to the nonprofit entity.

The bill also provides that the Department of Education would include renaissance school projects in the Charter School Enrollment System for the purpose of calculating and reconciling payments between school districts and renaissance school projects. Finally, the bill directs the department to employ any existing rules and procedures for settling residency and payment disputes for charter schools in the settlement of such disputes for renaissance school projects.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill will lead to an annual cost increase of up to \$600,000 for certain non-renaissance school districts that are resident school districts for students attending a renaissance school project.

While current State regulations permit a renaissance school district accepting nonresident students to charge tuition for those students, information included in the most recent Renaissance School Project Annual Reports indicates that no tuition was collected for students who are not residents of a renaissance school district in the 2024-2025 school year. No tuition revenue was expected to be collected from nonresident students in the 2025-2026 school year. The reports also indicate that, in the 2024-2025 school year, a total of 25 nonresident students attended two renaissance school projects in Camden City. A third renaissance school project in Camden City did not report nonresident enrollment.

Assuming that this bill would require non-renaissance school districts to make payments to renaissance school projects that were not previously being made for students attending those schools, the bill would lead to increased costs for the non-renaissance districts. According to the bill, the payments would include 95 percent of the district's per pupil expenditure, which is defined in current law as the sum of equalization aid per pupil, adjustment aid per pupil, and the general fund tax levy per pupil inflated by the consumer price index. While the OLS does not have access to student-level information concerning the specific school districts in which nonresident students of each renaissance school project reside, it estimates that the average Statewide per pupil expenditure in the 2025-2026 school year is approximately \$22,600. In accordance with the provisions of the bill, 95 percent of this average amount is approximately \$21,500. If this average amount is paid for each of the 25 nonresident students projected to attend renaissance school projects in the 2025-2026 school year, then total local school district costs would be at least \$540,000. Actual expenditures could be more or less to the extent that the school districts in which the nonresident students reside have a per pupil expenditure amount greater or less than the Statewide average.

The OLS also notes that these average costs will be driven slightly higher due to the bill's requirement of the additional payment of the security categorical aid attributable to nonresident students, a percentage of the district's special education categorical aid, and 100 percent of preschool education aid attributable to nonresident students. Given this along with the likelihood that the Statewide average per pupil expenditure amount will increase in future years, the OLS adjusts its estimates upward to \$600,000 per year.

Section: Education

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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.).