

# ASSEMBLY, No. 209

## STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

**Sponsored by:**

**Assemblyman WAYNE P. DEANGELO**

**District 14 (Mercer and Middlesex)**

**SYNOPSIS**

Excludes certain increases in school security expenditures from the tax levy cap applicable to school districts.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



A209 DEANGELO

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1 AN ACT concerning school district expenditures on school security  
2 costs and amending P.L.2007, c.62.

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

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7 1. Section 3 of P.L.2007, c.62 (C.18A:7F-38) is amended to  
8 read as follows:

9 3. a. Notwithstanding the provisions of any other law to the  
10 contrary, a school district shall not adopt a budget pursuant to  
11 sections 5 and 6 of P.L.1996, c.138 (C.18A:7F-5 and 18A:7F-6)  
12 with an increase in its adjusted tax levy that exceeds, except as  
13 provided in subsection e. of section 4 of P.L.2007, c.62 (C.18A:7F-  
14 39), the tax levy growth limitation calculated as follows: the sum of  
15 the prebudget year adjusted tax levy and the adjustment for  
16 increases in enrollment multiplied by 2.0 percent, **[and]**  
17 adjustments for an increase in health care costs, and increases in  
18 amounts for certain normal and accrued liability pension  
19 contributions set forth in sections 1 and 2 of P.L.2009,  
20 c.19 amending section 24 of P.L.1954, c.84 (C.43:15A-24) and  
21 section 15 of P.L.1944, c.255 (C.43:16A-15) for the year set forth  
22 in those sections, and an adjustment for an increase in school  
23 security costs .

24 b. (1) The allowable adjustment for increases in enrollment  
25 authorized pursuant to subsection a. of this section shall equal the  
26 per pupil prebudget year adjusted tax levy multiplied by EP, where  
27 EP equals the sum of:

28 (a) 0.50 for each unit of weighted resident enrollment that  
29 constitutes an increase from the prebudget year over 1%, but not  
30 more than 2.5%;

31 (b) 0.75 for each unit of weighted resident enrollment that  
32 constitutes an increase from the prebudget year over 2.5%, but not  
33 more than 4%; and

34 (c) 1.00 for each unit of weighted resident enrollment that  
35 constitutes an increase from the prebudget year over 4%.

36 (2) A school district may request approval from the  
37 commissioner to calculate EP equal to 1.00 for any increase in  
38 weighted resident enrollment if it can demonstrate that the  
39 calculation pursuant to paragraph (1) of this subsection would result  
40 in an average class size that exceeds 10% above the facilities  
41 efficiency standards established pursuant to P.L.2000,  
42 c.72 (C.18A:7G-1 et al.).

43 c. (Deleted by amendment, P.L.2010, c.44)

44 d. (1) The allowable adjustment for increases in health care  
45 costs authorized pursuant to subsection a. of this section shall equal

**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 that portion of the actual increase in total health care costs for the  
2 budget year, less any withdrawals from the current expense  
3 emergency reserve account for increases in total health care costs,  
4 that exceeds 2.0 percent of the total health care costs in the  
5 prebudget year, but that is not in excess of the product of the total  
6 health care costs in the prebudget year multiplied by the average  
7 percentage increase of the State Health Benefits Program, P.L.1961,  
8 c.49 (C.52:14-17.25 et seq.), as annually determined by the  
9 Division of Pensions and Benefits in the Department of the  
10 Treasury.

11 (2) The allowable adjustment for increases in the amount of  
12 normal and accrued liability pension contributions authorized  
13 pursuant to subsection a. of this section shall equal that portion of  
14 the actual increase in total normal and accrued liability pension  
15 contributions for the budget year that exceeds 2.0 percent of the  
16 total normal and accrued liability pension contributions in the  
17 prebudget year.

18 (3) The allowable adjustment for increases in school security  
19 costs authorized pursuant to subsection a. of this section shall equal  
20 that portion of the actual increase in total school security costs for  
21 the budget year that exceeds 2.0 percent of the total school security  
22 costs in the prebudget year.

23 e. (Deleted by amendment, P.L.2010, c.44)

24 f. The adjusted tax levy shall be increased or decreased  
25 accordingly whenever the responsibility and associated cost of a  
26 school district activity is transferred to another school district or  
27 governmental entity.

28 (cf: P.L.2010, c.44, s.4)

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30 2. This act shall take effect immediately and shall first be  
31 applicable to the next school district budget year following  
32 enactment.

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STATEMENT

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37 Under current law, school districts may increase their tax levies,  
38 with certain exceptions, by no more than two percent relative to the  
39 prior budget year. This bill provides that any annual increase in  
40 expenditures on school security costs in excess of two percent  
41 incurred by a school district will be excluded from the limit.