ASSEMBLY, No. 569

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Assemblyman ROBERT AUTH
District 39 (Bergen and Passaic)

SYNOPSIS

Modifies conditions for regional school district use of property assessments as basis for apportionment of costs to participating municipalities.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT concerning the apportionment of costs among municipalities in a regional school district and amending N.J.S.18A:13-23.

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

1. N.J.S.18A:13-23 is amended to read as follows:

18A:13-23. The annual or special appropriations for regional districts, including the amounts to be raised for interest upon, and the redemption of, bonds payable by the district, shall be apportioned among the municipalities included within the regional district, as may be approved by the voters of each municipality at the annual school election or a special school election, upon the basis of:

a. the portion of each municipality's equalized valuation allocated to the regional district, calculated as described in the definition of equalized valuation in section 3 of P.L.2007, c.260 (C.18A:7F-45);

b. the proportional number of pupils enrolled from each municipality on the 15th day of October of the prebudget year in the same manner as would apply if each municipality comprised separate constituent school districts; or

c. any combination of apportionment based upon equalized valuations pursuant to subsection a. of this section or pupil enrollments pursuant to subsection b. of this section.

Apportionment of annual or special appropriations for regional districts pursuant to subsection a. or c. of this section is prohibited unless (1) each municipality included within the regional district has conducted a revaluation within five years of one another, (2) the assessment to sales ratio for each municipality included within the regional school district is above 90 percent, or (3) the assessment to sales ratio for each municipality included within the regional school district is below 90 percent but within five percent of the assessment to sales ratio of the other municipalities within the regional school district.

(cf: P.L.2007, c.260, s.50)

2. This act shall take effect immediately.

STATEMENT

This bill concerns the manner in which a regional school district may apportion costs to municipalities participating in the district.

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.

Under the bill, the apportionment can be based on property assessments, entirely or in part, if (1) each municipality included within the regional district has conducted a revaluation within five years of one another, (2) the assessment to sales ratio for each municipality included within the regional school district is above 90 percent; or (3) the assessment to sales ratio for each municipality included within the regional school district is below 90 percent within five percent of the assessment to sales ratio of the other municipalities within the regional school district.

While current law requires that apportionment based on property values be calculated based on equalized valuation, this bill would ensure that apportionment of costs to each municipality in a regional school district based on property valuation is fair and accurate.