ASSEMBLY, No. 597

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Assemblyman JOHN DIMAIO
District 23 (Hunterdon, Somerset and Warren)
Assemblyman ERIK PETERSON
District 23 (Hunterdon, Somerset and Warren)

Co-Sponsored by:
Assemblyman Rumpf, Assemblywoman Gove, Assemblymen McGuckin, Space and Wirths

SYNOPSIS

Establishes a formula for the distribution of State aid to school districts.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT concerning State school aid and supplementing Title 18A of the New Jersey Statutes.

WHEREAS, Paragraph 1 of Article III states, "The powers of the government shall be divided among three distinct branches, the legislative, executive, and judicial. No person or persons belonging to or constituting one branch shall exercise any of the powers properly belonging to either of the others, except as expressly provided in this Constitution;" and

WHEREAS, Paragraph 1 of Section IV of Article VIII states, "The Legislature shall provide for the maintenance and support of a thorough and efficient system of free public schools for the instruction of all the children in the State between the ages of five and eighteen years;" and

WHEREAS, Paragraph 2 of Section IV of Article VIII states, "The fund for the support of free public schools...shall be annually appropriated to the support of free public schools, and for the equal benefit of all the people of the State;" and

WHEREAS, Paragraph 7 of Section I of Article VIII states that the income tax is to be, "...annually appropriated...exclusively for the purpose of reducing or offsetting property taxes;" now, therefore,

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

1. Notwithstanding the provisions of P.L.2007, c.260 (C.18A:7F-43 et al.) or any other law to the contrary, State school aid for the first school year beginning after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) and for each subsequent school year shall be provided to school districts as follows:

a. The Department of Education shall determine each public school district's projected resident enrollment for the budget year and the total Statewide public school resident enrollment.

b. The State Treasurer shall determine the total projected revenue from the State income tax for the budget year.

c. State aid for each school district for the budget year shall be determined pursuant to the following formula:

TDSA = (TITR/TSE) * TDE

where

TDSA is School District State Aid;

TITR is Total Projected Income Tax Revenue;

TSE is Total Projected Resident Enrollment; and

TDE is District Projected Resident Enrollment.

2. This act shall take effect immediately.

STATEMENT

Whereas, paragraph 1 of Article III states, "The powers of the government shall be divided among three distinct branches, the legislative, executive, and judicial. No person or persons belonging to or constituting one branch shall exercise any of the powers properly belonging to either of the others, except as expressly provided in this Constitution."

Whereas, paragraph 1 of Section IV of Article VIII states, "The Legislature shall provide for the maintenance and support of a thorough and efficient system of free public schools for the instruction of all the children in the State between the ages of five and eighteen years."

Whereas, paragraph 2 of Section IV of Article VIII states, "The fund for the support of free public schools...shall be annually appropriated to the support of free public schools, and for the equal benefit of all the people of the State."

Whereas, paragraph 7 of Section I of Article VIII states that the income tax is to be, "...annually appropriated...exclusively for the purpose of reducing or offsetting property taxes."

This bill establishes a new formula for the allocation of State aid to school districts to satisfy the Legislature's constitutional responsibility to provide for a system of free public schools. The bill provides State aid by determining a per pupil amount of State aid and multiplying that amount by the school district's projected resident enrollment for the budget year. The per pupil State aid amount is determined after the State Treasurer projects the total revenue amount from the State income tax for the budget year. Following the determination of the projected total State income tax, the Department of Education is to divide that amount by the total projected resident enrollment of the school districts. The department determines each school district's State aid by multiplying this per pupil State aid amount by the district's projected resident enrollment.