

ASSEMBLY, No. 3597

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 5, 2020

Sponsored by:

Assemblyman RYAN E. PETERS

District 8 (Atlantic, Burlington and Camden)

Assemblywoman JEAN STANFIELD

District 8 (Atlantic, Burlington and Camden)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Co-Sponsored by:

Assemblyman McClellan

SYNOPSIS

Establishes School Funding Commission to study school funding formula and prepare report that will serve as basis of new formula.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/5/2021)

1 **AN ACT** establishing the School Funding Commission.

2

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

5

6 1. a. There is established the School Funding Commission.
7 The purpose of the commission is to study issues related to school
8 funding and issue a report with its findings and recommendations
9 that will be the basis of a new school funding formula in the State.
10 The commission shall be composed of 26 members as follows:

11 (1) the Commissioner of Education or a designee;

12 (2) nine members appointed by the Governor, three of whom
13 shall be appointed upon the recommendation of the New Jersey
14 Education Association, two of whom shall be appointed upon the
15 recommendation of the New Jersey School Boards Association, one
16 of whom shall be appointed upon the recommendation of the New
17 Jersey Association of School Business Officials, one of whom shall
18 be appointed upon the recommendation of the New Jersey
19 Association of School Administrators, one of whom shall be
20 appointed upon the recommendation of the New Jersey Parent
21 Teacher Association, and one of whom shall have knowledge and
22 experience in school finance or State budgeting or finance;

23 (3) five members appointed by the Senate President, one of
24 whom shall be appointed upon the recommendation of the New
25 Jersey Council of County Vocational Schools, one of whom shall be
26 appointed upon the recommendation of the New Jersey School
27 Boards Association, one of whom shall be appointed upon the
28 recommendation of the New Jersey Association of School Business
29 Officials, one of whom shall be appointed upon the
30 recommendation of the Education Law Center, and one of whom
31 shall have knowledge and experience in school finance or State
32 budgeting or finance;

33 (4) five members appointed by the Speaker of the General
34 Assembly, one of whom shall be appointed upon the
35 recommendation of the American Federation of Teachers New
36 Jersey, one of whom shall be appointed upon the recommendation
37 of the Education Law Center, one of whom shall be appointed upon
38 the recommendation of the New Jersey Principals and Supervisors
39 Association, one of whom shall be appointed upon the
40 recommendation of the New Jersey Education Association, and one
41 of whom shall have knowledge and experience in school finance or
42 State budgeting or finance;

43 (5) three members appointed by the Minority Leader of the
44 Senate, one of whom shall be appointed upon the recommendation
45 of the New Jersey Association of School Administrators, one of
46 whom shall be appointed upon the recommendation of the New
47 Jersey Association of School Business Officials, and one of whom

1 shall have knowledge and experience in school finance or State
2 budgeting or finance; and

3 (6) three members appointed by the Minority Leader of the
4 General Assembly, one of whom shall be appointed upon the
5 recommendation of the New Jersey Charter School Association, one
6 of whom shall be appointed upon the recommendation of the New
7 Jersey Principals and Supervisors Association, and one of whom
8 shall have knowledge and experience in school finance or State
9 budgeting or finance.

10 b. The appointments to the commission shall be made within
11 45 days of the effective date of this act. Vacancies in the
12 membership of the commission shall be filled in the same manner
13 as the original appointments were made. Members of the
14 commission shall serve without compensation but shall be entitled
15 to their actual and necessary expenses incurred in the performance
16 of their duties pursuant to this act.

17

18 2. a. The commission shall organize within 30 days after the
19 appointment of its members. A majority of the commission
20 members shall constitute a quorum for the purpose of conducting
21 business. The Commissioner of Education shall serve as the
22 chairperson of the commission.

23 b. The commission shall hold meetings at the request of the
24 chairperson and shall hold at least two public meetings. The
25 commission shall seek to gather stakeholder input on the various
26 aspects of school funding, including input from school districts,
27 county vocational school districts, charter schools, and nonpublic
28 schools from around the State.

29 c. Staff and related support services shall be provided to the
30 commission by the Department Education. The commission shall
31 be entitled to call to its assistance and avail itself of the services of
32 the employees of any State, county, or municipal department, board,
33 bureau, commission or agency as it may require and as may be
34 available for its purposes.

35

36 3. It shall be the duty of the commission to study:

37 a. New Jersey's current school funding formula, the "School
38 Funding Reform Act of 2008," P.L.2007, c.260 (C.18A:7F-43 et
39 al.), and the various aid categories under the formula, including:
40 preschool aid; transportation aid with a focus on the aid used to
41 provide transportation to students attending charter schools and
42 nonpublic schools; security aid; and special education aid with a
43 focus on the effects of census based funding under the current
44 formula and the feasibility of utilizing a tiered funding system;

45 b. the effects of the current funding formula on the education
46 of at-risk students and students with limited English proficiency;

- 1 c. the school funding formulas of the states surrounding New
2 Jersey in order to identify the positive and negatives aspects of each
3 of these funding formulas;
- 4 d. the ability of municipalities in the State to raise adequate
5 taxes for the support of public schools;
- 6 e. the allocation of property taxes for school purposes;
- 7 f. the impact of identified State policies and how they may
8 affect school funding in each county and municipality;
- 9 g. the impact of the use of payments in lieu of taxes and other
10 tax incentive programs on the ability of municipalities to support
11 public schools; and
- 12 h. the benefits of a reorganization of the Department of
13 Education in regard to the implementation of the State's school
14 funding formula.
- 15
- 16 4. The commission shall issue a final report containing its
17 findings and recommendations to the Governor, and to the
18 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),
19 no later than one year after the organizational meeting of the
20 commission. The report shall be posted prominently on the
21 Department of Education's Internet website.
- 22
- 23 5. This act shall take effect immediately.
- 24
- 25

26 STATEMENT

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- 28 This bill establishes the School Funding Commission to study
29 issues related to school funding and issue a report with its findings
30 and recommendations that will be the basis of a new school funding
31 formula in the State. The commission will be composed of 26
32 members including the Commissioner of Education, nine members
33 appointed by the Governor, five members appointed each by the
34 Senate President and the Speaker of the General Assembly, and
35 three members appointed each by the Minority Leader of the Senate
36 and the Minority Leader of the General Assembly. The members
37 will include persons with knowledge and experience in school
38 finance or State budgeting or finance and members who have been
39 recommended for appointment by various educational organizations
40 in the State. The Commissioner of Education will serve as the
41 chairperson of the commission and staff and related support
42 services for the commission will be provided by the Department
43 Education.
- 44 The bill provides that it will be the duty of the commission to
45 study:
- 46 • New Jersey's current school funding formula, the "School
47 Funding Reform Act of 2008," P.L.2007, c.260
48 (C.18A:7F-43 et al.), and the various aid categories under

- 1 the formula, including: preschool aid; transportation aid
2 with a focus on the aid used to provide transportation to
3 students attending charter schools and nonpublic schools;
4 security aid; and special education aid with a focus on the
5 effects of census based funding under the current formula
6 and the feasibility of utilizing a tiered funding system;
- 7 • the effects of the current funding formula on the
8 education of at-risk students and students with limited
9 English proficiency;
 - 10 • the school funding formulas of the states surrounding
11 New Jersey in order to identify the positive and negatives
12 aspects of each of these funding formulas;
 - 13 • the ability of municipalities in the State to raise adequate
14 taxes for the support of public schools;
 - 15 • the allocation of property taxes for school purposes;
 - 16 • the impact of identified State policies and how they may
17 affect school funding in each county and municipality;
 - 18 • the impact of the use of payments in lieu of taxes and
19 other tax incentive programs on the ability of
20 municipalities to support public schools; and
 - 21 • the benefits of a reorganization of the Department of
22 Education in regard to the implementation of the State's
23 school funding formula.
- 24 The commission is required to issue a final report containing its
25 findings and recommendations to the Governor and to the
26 Legislature no later than one year after the organizational meeting
27 of the commission. The report will be posted prominently on the
28 Department of Education's Internet website.