

[First Reprint]

ASSEMBLY, No. 5537

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED MAY 5, 2021

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman WILLIAM W. SPEARMAN

District 5 (Camden and Gloucester)

SYNOPSIS

Modifies certain procedures pertaining to school district regionalization; establishes grant program for cost reimbursement of conducting regionalization feasibility studies; and provides financial incentives for regionalization.

CURRENT VERSION OF TEXT

As reported by the Assembly Education Committee on June 9, 2021, with amendments.



(Sponsorship Updated As Of: 6/1/2021)

1 AN ACT concerning school district regionalization, amending
2 various parts of the statutory law, and supplementing chapter 13
3 of Title 18A of the New Jersey Statutes.

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

7
8 1. (New section) As used in sections 2 through 8 of
9 P.L. , c. (C.) (pending before the Legislature as this bill):

10 “Board of education” means and includes the board of education
11 of a local school district, consolidated school district, non-operating
12 school district, and the board of education of a limited purpose or
13 all purpose regional district.

14 “Division” means the Division of Local Government Services in
15 the Department of Community Affairs.

16 “Governing body” means and includes, in the event that a school
17 district enumerated herein does not have a board of education, the
18 governing body of a local school district, ¹a municipality
19 constituting part of a¹ consolidated school district, and the
20 governing body of a municipality constituting a constituent district
21 of a limited purpose or all purpose regional district.

22 “Participating district” means a school district whose board of
23 education or governing body, as applicable, by resolution certifies a
24 commitment to participate in a feasibility study submitted as part of
25 an application under the grant program established pursuant to
26 section 2 of P.L. , c. (C.) (pending before the Legislature
27 as this bill).

28 “School district” means and includes a local school district,
29 consolidated school district, non-operating school district, a
30 constituent school district, and a limited purpose or all purpose
31 regional district.

32
33 2. (New section) The Division of Local Government Services
34 in the Department of Community Affairs shall establish a grant
35 program, within the limit of funds appropriated or otherwise made
36 available for the program, the purpose of which shall be to provide
37 for the reimbursement of eligible costs associated with conducting
38 feasibility studies that support the creation of meaningful and
39 implementable plans to form or expand regional school districts. In
40 addition to funds being made available to boards of education and
41 governing bodies seeking to conduct feasibility studies after the
42 date of enactment of P.L. , c. (C.) (pending before the
43 Legislature as this bill), funds under the grant program shall be
44 made available to:

45 a. the boards of education or governing bodies of two or more
46 school districts which have conducted within two years prior to the

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AED committee amendments adopted June 9, 2021.

1 enactment of P.L. , c. (C.) (pending before the Legislature
2 as this bill) a feasibility study for which no prior reimbursement
3 was made; and

4 b. the boards of education or governing bodies of two or more
5 school districts that are in the process of conducting a feasibility
6 study as of the date of enactment of P.L. , c. (C.) (pending
7 before the Legislature as this bill).

8
9 3. (New section) a. The boards of education or governing
10 bodies of two or more school districts seeking to form a limited
11 purpose or all purpose regional district and that wish to apply for
12 funding under the grant program established pursuant to section 2
13 of P.L. , c. (C.) (pending before the Legislature as this bill)
14 shall jointly submit an application to the division. The application
15 shall identify and designate at least one project coordinator from
16 one or more participating districts who shall be responsible for
17 overseeing the activities associated with conducting the feasibility
18 study proposed under the application and for fulfilling any
19 requirements prescribed by the division in the receipt of a grant
20 under the program. The application shall also include:

21 (1) copies of the resolutions adopted by all participating boards
22 of education or governing bodies, as applicable, certifying a
23 commitment to participate in a feasibility study. An application
24 may propose a feasibility study that would include an analysis of
25 the inclusion of non-participating districts in a proposed regional
26 district, in which case the application shall state that the feasibility
27 study will present findings and recommendations related both to the
28 consolidation of participating districts into a regional district and
29 alternative findings and recommendations contingent upon the
30 inclusion of the non-participating districts;

31 (2) a detailed narrative describing the proposed regionalization
32 plan or plans to be studied, as well as potential areas for educational
33 and fiscal improvement. The feasibility study shall include, but
34 need not be limited to, options to address issues related to:

35 (a) facility utilization;

36 (b) cost sharing and methods of apportionment, including but
37 not limited to, equalized valuation, pupil enrollment, or a
38 combination of the two as well as whether such apportionment
39 should take effect immediately or on a phase-in or transitional basis
40 over a certain number of years;

41 (c) the allocation of existing school debt and proceeds from the
42 sale of unutilized or underutilized facilities;

43 (d) projected enrollment trends, including the impact on the
44 demographic breakdown of the student population, including race,
45 ethnicity, and national origin, and projected changes in class size;

46 (e) current and projected staffing needs and costs, including
47 retirement and attrition trends for instructional, administrative, and
48 support staff;

- 1 (f) an analysis of the differences in the salaries and terms and
2 conditions of employment in elementary, middle, and high school
3 teachers', administrators', and support staffs' contracts among the
4 various districts 'and the distribution of all compensation among
5 covered employees, including the potential impact of expired
6 contracts moving forward,¹ which analysis shall be developed by
7 school districts and the majority representatives of all recognized
8 bargaining units;
- 9 (g) State aid and tax revenue projections;
- 10 (h) potential cost savings 'or increases'¹ from regionalization;
- 11 (i) student seat time and distance traveled, as well as potential
12 increased or reduced transportation costs;
- 13 (j) kindergarten through 12 curriculum coordination
14 improvements;
- 15 (k) 'potential'¹ enrichment of educational programs for students;
16 and
- 17 (l) calculation and methods of apportionment for determining
18 membership on the regional district board of education among the
19 constituent districts;
- 20 (3) a description of the intended use of grant funding in
21 supporting the costs associated with conducting the feasibility
22 study;
- 23 (4) a demonstration of the boards' or governing bodies'
24 capacities to oversee the proposed feasibility study;
- 25 (5) a list of personnel or outside consultants who would be
26 conducting the feasibility study, which consultants shall be selected
27 in accordance with applicable State law;
- 28 (6) a plan to incorporate public and stakeholder participation
29 and ideas in the regionalization study process, which shall include
30 school board members, parents, teachers, administrators, non-
31 instructional staff, union representatives, municipal officials, and
32 interested citizens; and
- 33 (7) any other materials or information as may be required by the
34 division to effectively evaluate the proposed feasibility study and
35 assess the costs associated with conducting the feasibility study.
- 36 b. In order to be eligible to receive a grant under the grant
37 program established pursuant to section 2 of P.L. , c. (C.)
38 (pending before the Legislature as this bill), the boards of education
39 or governing bodies shall demonstrate that the proposed
40 regionalization:
- 41 (1) does not increase or exacerbate the segregation of students
42 enrolled in the school districts seeking to consolidate or, as
43 applicable, in the school districts from which a school district is
44 seeking to withdraw by racial, socio-economic, disability, or
45 English Language Learner status;
- 46 (2) to the maximum extent practicable, will lead to the
47 establishment of a limited purpose or all purpose regional district;

1 (3) consolidates school districts that are in close geographic
2 proximity of each other. School districts need not be immediately
3 contiguous as long as any geographic separation is not so large as to
4 contradict the potential for improved efficiency and cost savings;

5 (4) possesses the potential for improved efficiency and cost
6 savings;

7 (5) possesses the potential to advance an enhanced learning
8 environment for participating districts;

9 (6) coordinates curriculum across schools and grades throughout
10 the proposed limited purpose or all purpose regional school; and

11 (7) reflects a documented commitment from the participating
12 districts to make good faith efforts to implement the
13 recommendations of the feasibility study that promote efficiency
14 and quality of education.

15 c. The Commissioner of Education shall review every
16 application submitted pursuant to this section, except for an
17 application eligible for preliminary approval pursuant to subsection
18 b. of section 4 of P.L. , c. (C.) (pending before the
19 Legislature as this bill), and shall certify, in writing, that the newly
20 formed or enlarged regional district will not increase or exacerbate
21 segregation among the districts seeking to regionalize or, as
22 applicable, the ¹【schools】 school¹ districts from which a school
23 district is seeking to withdraw.
24

25 4. (New section) a. The division shall review all applications
26 submitted pursuant to section 3 of P.L. , c. (C.) (pending
27 before the Legislature as this bill) and shall only approve
28 applications that meet the eligibility criteria set forth in subsection
29 b. of section 3 of P.L. , c. (C.) (pending before the
30 Legislature as this bill) and that are certified by the commissioner
31 pursuant to subsection c. of section 3 of P.L. , c. (C.)
32 (pending before the Legislature as this bill). Boards of education or
33 governing bodies whose applications are denied approval for a grant
34 shall be provided a notice describing the reasons for the denial and
35 the applicant shall be afforded an opportunity for a hearing before
36 an administrative law judge to contest the decision, which shall
37 conform with the provisions applicable to such contested cases in
38 this State as set forth in statute and regulation.

39 b. The division may grant preliminary approval of an
40 application submitted by the boards of education or governing
41 bodies of two or more school districts pursuant to section 3 of
42 P.L. , c. (C.) (pending before the Legislature as this bill) if
43 the division determines that the application contains sufficient
44 evidence to demonstrate that the proposed regionalization complies
45 with the criteria enumerated in subsection b. of section 3 of
46 P.L. , c. (C.) (pending before the Legislature as this bill)
47 and is proposing to:

- 1 (1) form a countywide school district; or
- 2 (2) form an all purpose regional district by expanding an
- 3 existing limited purpose regional district through consolidation with
- 4 some or all of the constituent school districts of the existing limited
- 5 purpose regional district.

6 The division shall establish guidelines governing preliminary
7 approval of applications submitted pursuant to this subsection. A
8 participating district that is part of an application that receives
9 preliminary approval under this subsection and that has a State aid
10 differential that is positive may elect to receive State school aid
11 pursuant to the schedule established in paragraph (4) of subsection
12 c. of section 4 of P.L.2018, c.67 (C.18A:7F-68).

13 c. Boards of education or governing bodies receiving
14 application approval pursuant to this section shall be reimbursed for
15 any eligible costs of the feasibility study up to an amount or
16 percentage to be annually determined by the division, with 50
17 percent of the grant award to be distributed upon the division's final
18 approval of the grant application and the remaining 50 percent of
19 the grant award to be distributed upon the division's acceptance of
20 the completed feasibility study. Boards of education or governing
21 bodies receiving application approval pursuant to subsection a. of
22 this section, which have conducted within two years prior to the
23 enactment of P.L. , c. (C.) (pending before the Legislature
24 as this bill) a feasibility study for which no prior reimbursement
25 was made, shall be eligible for reimbursement up to an amount or
26 percentage to be determined by the division of any costs associated
27 with conducting the study upon execution of the regionalization
28 outlined in the boards' or governing bodies' application. The
29 division shall also annually determine the costs that are eligible and
30 ineligible for reimbursement under this section.

31

32 5. (New section) a. Notwithstanding the provisions of section
33 2 of P.L.1995, c.294 (C.18A:6-31.4) or of any other law, rule, or
34 regulation to the contrary, whenever a regional district is formed
35 following the approval of an application pursuant to section 4 of
36 P.L. , c. (C.) (pending before the Legislature as this bill):

37 (1) the salary guide and terms and conditions of employment,
38 whether established through a collective negotiations agreement or
39 past practice, of the largest constituent school district shall apply in
40 full after three years following the formation of the regional district
41 or until a successor agreement is negotiated with the majority
42 representative of the new school district, whichever occurs first.
43 The salary guide and terms and conditions of employment that will
44 apply pursuant to the provisions of this subsection shall be based
45 upon the terms and conditions of employment of the largest
46 constituent district made up of only the identical grade levels. In
47 the event that there is no constituent district made up of only the
48 identical grade levels, the salary guide and terms and conditions of

1 employment that will apply pursuant to the provisions of this
2 subsection shall be ¹~~provided~~¹ based upon the terms and
3 conditions of employment of the largest constituent district
4 containing the identical grade levels; and

5 (2) in the event that there is an employee bargaining unit in a
6 constituent school district with the next largest number of
7 employees and with a majority representative of the unit, which is
8 not so represented in the largest school district, the terms and
9 conditions of employment for all employees holding positions in
10 that unit in the newly formed regional district shall apply provided
11 that the terms and conditions of employment shall only apply to the
12 newly formed regional district's employees in that bargaining unit.

13 b. Notwithstanding the provisions of the “New Jersey
14 Employer-Employee Relations Act,” P.L.1941, c.100 (C.34:13A-1
15 et seq.) or of any other law, rule, or regulation to the contrary,
16 whenever a regional district is formed following the approval of an
17 application pursuant to section 4 of P.L. , c. (C.) (pending
18 before the Legislature as this bill), the newly formed regional
19 district shall recognize ¹~~the~~ each¹ majority representative of the
20 ¹~~classification of employees~~ existing bargaining units¹ in the
21 largest constituent district as the majority ¹~~representative~~
22 representatives¹ of those ¹~~separate bargaining units of~~¹ employees,
23 except that if the largest constituent district does not ¹~~represent~~
24 ~~that~~ have a majority representative currently representing a¹
25 classification of employees, then the majority representative of the
26 next largest constituent district that represents ¹~~a bargaining unit~~
27 representing¹ that classification of employees shall be recognized
28 by the newly formed regional district as the majority representative
29 of that classification of employees.

30 c. ¹Notwithstanding any law, rule, or regulation to the contrary,
31 beginning on the date upon which a school district submits an
32 application pursuant to section 3 of P.L. , c. (C.) (pending
33 before the Legislature as this bill), the boards of education or
34 governing bodies of any affected, constituent, replaced, displaced,
35 or dissolved districts shall not enter into a subcontracting agreement
36 which affects the employment of any employees in a collective
37 bargaining unit represented by a majority representative until the
38 date that the newly formed or existing limited purpose or all
39 purpose regional district commences operations following the
40 completion of the dissolution, displacement, merger,
41 regionalization, or consolidation of the constituent districts at which
42 time the provisions of P.L.2020, c.79 (C.34:13A-44 et seq.) shall
43 control.

44 d.¹ As used in this section, “largest constituent school district”
45 means the school district that employs the largest number of
46 teaching staff members.

1 6. (New section) The Department of Education shall reimburse
2 participating districts for any costs incurred to hold an election to
3 establish or enlarge a limited purpose or all purpose regional district
4 provided that the decision to establish or enlarge a limited purpose
5 or all purpose regional district stems from the completion of a
6 feasibility study conducted in connection with the grant program
7 established pursuant to section 2 of P.L. , c. (C.) (pending
8 before the legislature as this bill).

9
10 7. (New section) The Division of Local Government Services
11 in the Department of Community Affairs shall provide notice to the
12 Senate President, the Speaker of the General Assembly, the
13 Minority Leader of the Senate, and the Minority Leader of the
14 General Assembly upon the division's receipt of an application for
15 a grant award submitted pursuant to section ¹~~4~~₃¹ of P.L. ,
16 c. (C.) (pending before the Legislature as this bill). The
17 notice shall be provided within 15 days of the division's receipt of
18 the application and shall include information identifying each
19 applicant seeking a grant award.

20
21 8. (New section) The Division of Local Government Services
22 in the Department of Community Affairs, in consultation with the
23 Department of Education, shall submit a report on the
24 implementation of the grant program established pursuant to section
25 2 of P.L. , c. (C.) (pending before the Legislature as this
26 bill) to the Governor, and to the Legislature pursuant to section 2 of
27 P.L.1991, c.164 (C.52:14-19.1) within one year following the date
28 of enactment of P.L. , c. (C.) (pending before the
29 Legislature as this bill) and annually thereafter. The report shall
30 include, but not be limited to:

- 31 a. an analysis of the grant program identifying:
32 (1) the boards of education or governing bodies that applied for
33 a grant;
34 (2) the boards of education or governing bodies that were
35 awarded a grant;
36 (3) the amount of each grant awarded;
37 (4) the availability of any funds remaining under the grant
38 program; and
39 (5) the reasoning behind the denial of any grant application;
40 b. a description of the experience of the boards of education or
41 governing bodies that applied and were approved for grant funding,
42 including the status and analysis of any feasibility studies
43 conducted with grant funding;
44 c. information on whether any grant recipients completed
45 regionalization;
46 d. an analysis of any legal, financial, educational, or other
47 factors that either facilitated or impeded the expansion or creation
48 of a regional district by participating districts including, but not

1 limited to, recommendations to existing State laws or regulations
2 that would remove impediments to regionalization; and

3 e. recommendations as to the feasibility and advisability of
4 expanding the grant program.

5

6 9. (New section) Notwithstanding any law, rule, or regulation
7 to the contrary, whenever the salary guide and terms and conditions
8 of employment of one or more school districts seeking to join a
9 newly formed or existing limited purpose or all purpose regional
10 district is set to expire upon the formation of the new regional
11 district, the school district may:

12 a. elect to adopt the expiring salary guide and terms and
13 conditions of employment for a period not to exceed one year or
14 until a successor agreement is negotiated with the majority
15 representative of the new regional district, whichever occurs first;
16 or

17 b. elect to adopt the salary guide and terms and conditions of
18 employment of the largest comparable district joining the new
19 regional district.

20

21 10. (New section) Notwithstanding section 3 of P.L.1995, c.294
22 (C.18A:6-31.5) or any other law, rule, or regulation to the contrary,
23 whenever a limited purpose or all purpose regional district is
24 formed or enlarged, the tenure and seniority rights of all employees
25 from the affected, constituent, replaced, displaced, or dissolved
26 districts, except for employees who are superintendents without
27 prior underlying tenure and seniority rights in the affected,
28 constituent, replaced, displaced, or dissolved districts, which form
29 or are a part of, or are affected, replaced, or displaced by the newly
30 formed or enlarged limited purpose or all purpose regional district,
31 shall be recognized and preserved by the newly formed or enlarged
32 limited purpose or all purpose regional district and all periods of
33 employment in any of the school districts shall count toward
34 acquisition of tenure and seniority in the newly formed or enlarged
35 limited purpose or all purpose regional district. All statutory and
36 contractual rights to accumulated sick leave, leave of absence, and
37 pension of an employee that have been acquired through
38 employment in any of the districts shall be recognized by the newly
39 formed or enlarged limited purpose or all purpose regional district.
40 Notwithstanding the provisions of this section or any other law,
41 rule, or regulation to the contrary, whenever a limited purpose or
42 all-purpose regional district is formed or enlarged, any employee
43 not covered by statutory seniority rights shall be placed on a
44 seniority list in accordance with the employee's years of
45 employment in any of the constituent districts for the purposes of
46 employment.

1 11. (New section) a. Notwithstanding any other law, rule, or
2 regulation to the contrary, a board of education of a local school
3 district or of a local school district constituting part of a limited
4 purpose regional district, the 'board of education or' governing
5 body of a non-operating school district, or the governing body of a
6 municipality constituting **'[part of]'** a constituent district of a
7 limited purpose regional district, part of an all purpose regional
8 district, or part of a consolidated school district may, by resolution,
9 withdraw from a limited purpose or all purpose regional district or
10 consolidated school district in order to form or enlarge a limited
11 purpose or all purpose regional district provided that the
12 withdrawal:

13 (1) is approved by the Commissioner of Education as meeting
14 the criteria set forth in paragraphs (2) through (8) of this subsection,
15 which approval shall be obtained prior to any election held to
16 determine whether to form or enlarge a limited purpose or all
17 purpose regional district that the withdrawing board of education or
18 governing body will join;

19 (2) does not increase or exacerbate the segregation of students
20 enrolled in the school districts seeking to consolidate or in the
21 regional district or consolidated school district from which a school
22 district is seeking to withdraw by racial, socio-economic, disability,
23 or English Language Learner status;

24 (3) consolidates school districts that are in close geographic
25 proximity of each other. School districts need not be immediately
26 contiguous as long as any geographic separation is not so large as to
27 contradict the potential for improved efficiency and cost savings;

28 (4) to the maximum extent practicable, reduces student seat time
29 and transportation costs;

30 (5) possesses the potential for improved efficiency and cost
31 savings;

32 (6) possesses the potential to advance an enhanced learning
33 environment for participating school districts;

34 (7) coordinates curriculum across schools and grades throughout
35 the proposed limited purpose or all purpose regional district; and

36 (8) reflects a documented commitment from the affected boards
37 of education to make good faith efforts to implement practices that
38 promote efficiency and quality of education.

39 b. A board of education of a local school district or of a local
40 school district constituting part of a limited purpose regional
41 district, the 'board of education or' governing body of a non-
42 operating school district, or the governing body of a municipality
43 constituting **'[part of]'** a constituent district of a limited purpose
44 regional district, part of an all purpose regional district, or part of a
45 consolidated school district that withdraws from a limited purpose
46 or all purpose regional district or consolidated school district
47 pursuant to the provisions of subsection a. of this section shall pay
48 transitional support to the limited purpose or all purpose regional

1 district ¹or consolidated school district¹ in which it was formerly a
 2 member, less the tuition dollars paid pursuant to subsection c. of
 3 this section, in an amount equal to the difference between the
 4 amount to be paid to the limited purpose or all purpose regional
 5 district of which the district or municipality will be a member and
 6 the amount paid to the former limited purpose or all purpose
 7 regional district ¹or consolidated school district¹ during the final
 8 year in which the district or municipality had been a member
 9 according to the following schedule:

10 (1) 100 percent during the first school year following
 11 withdrawal;

12 (2) 80 percent during the second school year following
 13 withdrawal;

14 (3) 60 percent during the third school year following
 15 withdrawal;

16 (4) 40 percent during the fourth school year following
 17 withdrawal; and

18 (5) 20 percent during the fifth school year following withdrawal.

19 A board of education of a local school district or of a local school
 20 district constituting part of a limited purpose regional district, the
 21 ¹board of education or¹ governing body of a non-operating school
 22 district, or the governing body of a municipality ¹**【constituting**
 23 **part】**¹ of a constituent district of a limited purpose regional district,
 24 part of an all purpose regional district, or part of a consolidated
 25 school district shall not be responsible for any further transitional
 26 payments required pursuant to this subsection following the end of
 27 the fifth school year following withdrawal.

28 c. A student residing in the withdrawing district ¹**【as of】** on¹
 29 the date ¹**【of enactment of P.L. , c. (C.) (pending before**
 30 **the Legislature as this bill)】** the district withdrawals pursuant to the
 31 provisions of this section¹ may remain in the school in which the
 32 student is enrolled at the time of withdrawal on a tuition basis,
 33 which tuition shall be paid by the withdrawing district.
 34

35 12. (New section) a. Notwithstanding the provisions of
 36 N.J.S.18A:13-34 or any other law, rule, or regulation to the
 37 contrary, the Commissioner of Education may permit the board of
 38 education of a regional district and the board or boards of education
 39 of one or more local districts, boards of education of two or more
 40 local districts, the board of education of a consolidated district, or
 41 the board of education of a district comprising two or more
 42 municipalities seeking to form or enlarge a limited purpose or all
 43 purpose regional district to agree to phase-in payment of the amount
 44 to be paid by each district under the apportionment method adopted
 45 by the voters. The phase-in payment schedule shall be for a period
 46 not to exceed 10 years. Following completion of the phase-in

1 payment period, the method of apportionment shall revert to full
2 payment under the method approved by the voters.

3 b. Notwithstanding the provisions of N.J.S.18A:13-34 or any
4 other law, rule, or regulation to the contrary, the Commissioner of
5 Education may permit the board of education of a regional district
6 and the board or boards of education of one or more local districts,
7 boards of education of two or more local districts, the board of
8 education of a consolidated district, or the board of education of a
9 district comprising two or more municipalities seeking to form or
10 enlarge a limited purpose or all purpose regional district to agree to
11 establish a transitional methodology, not to exceed 10 years, of the
12 apportionment method adopted by the voters provided that the
13 methodology is agreed to by all participating districts.

14

15 13. (New section) a. Notwithstanding any law, rule, or
16 regulation to the contrary, when a proposal to form a limited
17 purpose or all purpose regional district is submitted to the voters
18 pursuant to N.J.S.18A:13-34, and the proposal is adopted by the
19 voters pursuant to N.J.S.18A:13-35, a board of education shall
20 proceed with the regionalization plan in accordance with the
21 provisions of the proposal. Any claim that a board of education is
22 proceeding with the regionalization plan in a manner inconsistent
23 with the provisions of the proposal shall be made directly to the
24 Commissioner of Education.

25 b. In the event that the commissioner determines that a board of
26 education is acting in a manner inconsistent with the provisions of a
27 proposal adopted pursuant to N.J.S.18A:13-35, such board of
28 education shall submit plans to the commissioner detailing the steps
29 to be taken to address such inconsistencies.

30

31 14. (New section) a. Notwithstanding any law, rule, or
32 regulation to the contrary, when a proposal to enlarge a limited
33 purpose or all purpose regional district is submitted to the voters
34 pursuant to N.J.S.18A:13-43, and the proposal is adopted by the
35 voters pursuant to N.J.S.18A:13-44, a board of education of the
36 regional district and the board or boards of education of one or
37 more local districts determined to enlarge the regional district shall
38 proceed with the regionalization plan in accordance with the
39 provisions of the proposal. Any claim that a board of education is
40 proceeding with the regionalization plan in a manner inconsistent
41 with the provisions of the proposal shall be made directly to the
42 Commissioner of Education.

43 b. In the event that the commissioner determines that a board of
44 education of a regional district or of one or more local districts is
45 acting in a manner inconsistent with the provisions of a proposal
46 adopted pursuant to N.J.S.18A:13-44, such board of education shall
47 submit plans to the commissioner detailing the steps to be taken to
48 address such inconsistencies.

1 15. (New section) a. Notwithstanding any law, rule, or
2 regulation to the contrary, when a proposal to add to the purposes
3 for which a regional district was created is submitted to the voters
4 and adopted pursuant to N.J.S.18A:13-33, the board of education of
5 a constituent district and of the limited purpose or all purpose
6 regional district, as applicable, shall proceed with the
7 regionalization plan in accordance with the provisions of the
8 proposal. Any claim that a board of education of a constituent
9 district or the board of education of the limited purpose or all
10 purpose regional district, as applicable, is proceeding with the
11 regionalization plan in a manner inconsistent with the provisions of
12 the proposal shall be made directly to the Commissioner of
13 Education.

14 b. In the event that the commissioner determines that a board
15 of education of a constituent district or the board of education of the
16 limited purpose or all purpose regional district, as applicable, is
17 acting in a manner inconsistent with the provisions of a proposal
18 adopted pursuant to N.J.S.18A:13-33, such board of education shall
19 submit plans to the commissioner detailing the steps to be taken to
20 address such inconsistencies.

21
22 16. (New section) a. Notwithstanding ¹the provisions of
23 N.J.S.18A:13-33 or¹ any ¹other¹ law, rule, or regulation to the
24 contrary, if a proposal to add additional purposes will convert a
25 regional district from a limited purpose regional district to an all
26 purpose regional district, the proposal shall be submitted to the
27 voters of each of the constituent districts of the regional district
28 instead of at large to the voters of the regional district, and said
29 proposal to convert a limited purpose regional district to an all
30 purpose regional district ¹**[may]** shall¹ be considered adopted if a
31 majority of the voters in a majority of the constituent districts that
32 constitute the limited purpose regional district vote to form an all
33 purpose regional district. Notwithstanding any law, rule, or
34 regulation to the contrary, a board of education of a constituent
35 district of a limited purpose regional district that does not vote to
36 join an all purpose regional district pursuant to the provisions of
37 this subsection may continue to send such students as were enrolled
38 in the limited purpose regional district to the schools that were
39 established as part of the limited purpose regional district.
40 ¹Nothing contained herein shall be construed as prohibiting a
41 limited purpose regional district from seeking to add to the purposes
42 for which the limited purpose regional district was created pursuant
43 to the process established under N.J.S.18A:13-33.¹

44 b. Notwithstanding any law, rule, or regulation to the contrary,
45 if a proposal to add additional purposes to a limited purpose
46 regional district is adopted pursuant to the provisions of subsection
47 a. of this section, the constituent districts constituting the limited

1 purpose regional district shall calculate and apportion the
2 membership of the board of education of the newly formed all
3 purpose regional district upon the basis of a proportional number of
4 pupils enrolled from each constituent district that constitutes the
5 limited purpose regional district, including any district that does not
6 vote to join the all purpose regional district and continues to send
7 students to the schools of the limited purpose regional district
8 pursuant to subsection a. of this section. However, each constituent
9 district, including any district that does not vote to join the all
10 purpose regional district and continues to send students to the
11 schools of the limited purpose regional district pursuant to
12 subsection a. of this section, shall have at least one member. A
13 constituent district that does not vote to join the all purpose regional
14 district but retains membership on the board of education of the
15 newly formed all purpose regional district pursuant to the
16 provisions of this subsection shall be eligible to vote on the
17 following matters before the all purpose regional board of
18 education:

19 (1) the amounts to be raised for annual or special appropriations
20 and the apportionment method to be used pursuant to N.J.S.18A:13-
21 34;

22 (2) the bill lists or contracts for the purchase, operation or
23 maintenance of facilities, equipment and instructional materials to
24 be used in the education of the pupils of the constituent district that
25 does not vote to join the all purpose regional district;

26 (3) new capital construction to be utilized by the constituent
27 district that does not vote to join the all purpose regional district;

28 (4) appointment, transfer, or removal of teaching staff members
29 and administrators providing services to pupils of the constituent
30 district that does not vote to join the all purpose regional district;
31 and

32 (5) addition or deletion of curricular and extracurricular
33 programs involving pupils of the constituent district that does not
34 vote to join the all purpose regional district.
35

36 17. (New section) a. Notwithstanding any law, rule, or
37 regulation to the contrary, when a limited purpose regional district
38 is proposing to add additional purposes that will convert the limited
39 purpose regional district to an all purpose regional district, the
40 constituent districts may by resolution frame and adopt a proposal
41 to calculate and apportion the membership of the board of education
42 of the newly formed all purpose regional district among the
43 constituent districts as nearly as may be according to the number of
44 their inhabitants, except that each constituent district shall have at
45 least one member.

46 The new members of the board of education of the newly created
47 all purpose regional district, who shall serve until the election of the
48 first elected members of the newly formed regional district pursuant

1 to the provisions of subsection b. of this section, shall be selected as
2 follows:

3 (1) two-thirds shall be selected from among the members of the
4 boards of education or governing bodies of the constituent districts
5 constituting the limited purpose regional district; and

6 (2) one-third shall be selected from among the members of the
7 board of education of the limited purpose regional district
8 proposing to add additional purposes, with such members selected
9 according to the number of each constituent districts' inhabitants.

10 b. Notwithstanding any law, rule, or regulation to the contrary,
11 the first elected members of the board of education of the newly
12 formed regional district shall be elected in accordance with the
13 proposal to calculate and apportion the membership of the board of
14 education adopted pursuant to subsection a. of this section at the
15 annual election to be held in the calendar year first succeeding the
16 year in which the election for the creation of the district was held.

17
18 18. (New section) a. Notwithstanding the provisions of
19 N.J.S.18A:13-8 or any other law, rule, or regulation to the contrary,
20 the boards of education proposing to form a newly created regional
21 district may by resolution frame and adopt a proposal to calculate
22 and apportion the membership of the board of education of the
23 newly created regional district according to the number of each
24 constituent districts' inhabitants, except that each constituent
25 district shall have at least one member. The calculation and method
26 of apportionment chosen pursuant to the provisions of this
27 subsection need not be approved by the commissioner or his
28 representative. If the commissioner or his representative
29 determines that it is advisable for such districts to form a newly
30 created regional district, and the question of whether or not the
31 proposal to create a regional district is submitted to the voters
32 pursuant to N.J.S.18A:13-34, and the proposal is adopted by the
33 voters pursuant to N.J.S.18A:13-35, then the members of the board
34 of education of the newly formed regional district shall be selected
35 from among the members of the boards of education of each
36 constituent district of the newly created regional district, who shall
37 serve until the election of the first elected members of the newly
38 created regional district pursuant to the provisions of subsection b.
39 of this section, in accordance with the proposal to calculate and
40 apportion the membership of the board of education adopted
41 pursuant to this subsection.

42 b. Notwithstanding any law, rule, or regulation to the contrary,
43 the first elected members of the board of education of a newly
44 created regional district shall be elected in accordance with the
45 proposal to calculate and apportion the membership of the board of
46 education adopted pursuant to subsection a. of this section at the
47 annual election to be held in the calendar year first succeeding the
48 year in which the election for the creation of the district was held.

1 o 19. (New section) a. Notwithstanding the provisions of
2 N.J.S.18A:13-8 or any other law, rule, or regulation to the contrary,
3 the board of education of a regional district and the board or boards
4 of education of one or more local districts determined to enlarge the
5 regional district may by resolution frame and adopt a proposal to
6 calculate and apportion the membership of the enlarged board of
7 education according to the number of each constituent districts'
8 inhabitants, except that each constituent district shall have at least
9 one member. The calculation and method of apportionment chosen
10 pursuant to the provisions of this subsection need not be approved
11 by the commissioner or his representative. If the commissioner or
12 his representative determines that it is advisable to enlarge the
13 regional district to include the local district or districts therein, and
14 the question of whether or not the proposal to enlarge the regional
15 district is submitted to the voters pursuant to N.J.S.18A:13-43, and
16 the proposal is adopted by the voters pursuant to N.J.S.18A:13-44,
17 then all members of the board of education of the enlarged regional
18 district shall be elected in accordance with the proposal to calculate
19 and apportion the membership of the board of education adopted
20 pursuant to this subsection at the next annual school election after
21 the election to enlarge the regional district.

22 b. For an enlarged regional district with a board of education
23 apportioned pursuant to this section, the board of education of the
24 new constituent district of the enlarged regional district shall, not
25 later than 30 days after the election for the enlargement thereof,
26 appoint one member of the enlarged board of education of the
27 regional district from among the members of the board of education
28 of the new constituent district, and the member so appointed shall
29 serve until the first Monday succeeding the first annual April school
30 election of the enlarged regional district. In the case of a regional
31 district in which the annual school election is in November, the
32 member so appointed shall serve until the first week in January next
33 succeeding the first annual November school election of the
34 enlarged district.

35

36 20. N.J.S.18A:13-34 is amended to read as follows:

37 18A:13-34. If the boards of education of two or more local
38 districts, or the board of education of a consolidated district, or of a
39 district comprising two or more municipalities, and the
40 commissioner or his representative, after consultation, study and
41 investigation, shall determine, that it is advisable for such districts
42 to join and create, or for such district to become

43 (a) an all purpose regional school district for all the school
44 purposes of such districts or district, or

45 (b) a limited purpose regional school district to provide and
46 operate, in the territory comprised within such local districts or
47 district, one or more of the following: elementary schools, junior
48 high schools, high schools, vocational schools, special schools,

1 health facilities or particular educational services or facilities, that
2 board or boards shall by resolution frame and adopt a proposal to
3 that effect stating also the manner in which the amounts to be raised
4 for annual or special appropriations for such proposed regional
5 school district, including the amounts to be raised for interest upon,
6 and the redemption of bonds payable by the regional district, shall
7 be apportioned upon the basis of:

8 a. the portion of each municipality's equalized valuation
9 allocated to the regional district, calculated as described in the
10 definition of equalized valuation in section 3 of **【P.L.1990, c.52**
11 **(C.18A:7D-3)】** P.L.2007, c.260 (C.18A:7F-45);

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

16 c. any combination of apportionment based upon equalized
17 valuations pursuant to subsection a. of this section or pupil
18 enrollments pursuant to subsection b. of this section, and each such
19 board shall submit on the same day in each municipality in its
20 district at a special election or at the general election the question
21 whether or not the proposal shall be approved, briefly describing
22 the contents of the resolution and stating the date of its adoption
23 and they may submit also, at the special election, as part of such
24 proposal, any other provisions which may be submitted, at such a
25 special election, under the provisions of this chapter **【but no】** and
26 any such special election 【shall be held on any day before April 15
27 or after December 1 of any calendar year】 pursuant to the
28 provisions of this section shall be held pursuant to the provisions of
29 P.L.1995, c.278 (C.19:60-1 et seq.). Except as otherwise provided
30 herein, the special election shall be conducted in accordance with
31 the provisions of P.L.1995, c.278 (C.19:60-1 et al.).

32 (cf: P.L.2013, c.172, s.3)

33
34 21. N.J.S.18A:13-43 is amended to read as follows:

35 18A:13-43. If the board of education of a regional district and
36 the board or boards of education of one or more local districts, and
37 the commissioner or his representative, after consultation, study and
38 investigation, shall determine that it is advisable to enlarge the
39 regional school district so as to include said local district or districts
40 therein, the board of education of the regional district and of each
41 such local district shall by resolution frame and adopt a proposal to
42 that effect and shall submit upon the same day, in such regional
43 district and in each such local school district, at a special school
44 election held pursuant to the provisions of P.L.1995, c.278
45 (C.19:60-1 et seq.) or at an election to be held on the third Tuesday
46 in April the question whether or not said proposal shall be approved
47 briefly describing the contents of said resolution and stating the

1 date of its adoption and they may submit also at such special
2 election as part of such proposal any other provision which may be
3 submitted at such a special election under the provisions of this
4 chapter.

5 (cf: P.L.2017, c.45, s.8)

6

7 22. Section 4 of P.L.2018, c.67 (C.18A:7F-68) is amended to
8 read as follows:

9 4. a. Notwithstanding the provisions of P.L.2007, c.260
10 (C.18A:7F-43 et al.) or any other law to the contrary, in the 2019-
11 2020 through 2024-2025 school years, a school district or county
12 vocational school district in which the State aid differential
13 calculated is negative shall receive State school aid in an amount
14 equal to the sum of the district's State aid in the prior school year
15 plus the district's proportionate share of the sum of any increase in
16 State aid included in the annual appropriations act for that fiscal
17 year and the total State aid reduction pursuant to subsection b. of
18 this section based on the district's State aid differential as a percent
19 of the Statewide total State aid differential among all school
20 districts and county vocational school districts for which the State
21 aid differential is negative. Any increase in State aid pursuant to
22 this subsection shall first be allocated to equalization aid, followed
23 by special education categorical aid, security categorical aid, and
24 transportation aid, except that no category shall exceed the total
25 amount as calculated in accordance with the provisions of sections
26 11, 13, 14, and 15 of P.L.2007, c.260 (C.18A:7F-53, C.18A:7F-55,
27 C.18A:7F-56, and C.18A:7F-57), respectively.

28 b. Except as provided pursuant to subsection c. of this section,
29 and notwithstanding the provisions of P.L.2007, c.260 (C.18A:7F-
30 43 et al.) or any other law to the contrary, in the 2019-2020 through
31 2024-2025 school years, a school district or county vocational
32 school district in which the State aid differential is positive shall
33 receive State school aid in an amount equal to the district's State aid
34 in the prior school year minus a percent of the State aid differential
35 according to the following schedule:

- 36 (1) 13 percent in the 2019-2020 school year;
- 37 (2) 23 percent in the 2020-2021 school year;
- 38 (3) 37 percent in the 2021-2022 school year;
- 39 (4) 55 percent in the 2022-2023 school year;
- 40 (5) 76 percent in the 2023-2024 school year; and
- 41 (6) 100 percent in the 2024-2025 school year.

42 c. (1) An SDA district that is located in a municipality in
43 which the equalized total tax rate is greater than the Statewide
44 average equalized total tax rate for the most recent available
45 calendar year and is spending below adequacy as calculated
46 pursuant to section 1 of P.L.2018, c.67 (C.18A:7F-70) shall not be
47 subject to a reduction in State aid pursuant to subsection b. of this
48 section.

1 (2) An SDA district that is located in a municipality in which
2 the equalized total tax rate is greater than the Statewide average
3 equalized total tax rate for the most recent available calendar year
4 and is spending above adequacy as calculated pursuant to section 1
5 of P.L.2018, c.67 (C.18A:7F-70) shall be subject to a reduction not
6 to exceed the amount by which the district is spending above
7 adequacy multiplied by the corresponding percentage included in
8 subsection b. of this section.

9 (3) A school district, other than an SDA district, that is located
10 in a municipality in which the equalized total tax rate is at least 10
11 percent greater than the Statewide average equalized total tax rate
12 for the most recent available calendar year and is spending at least
13 10 percent below adequacy as calculated pursuant to section 1 of
14 P.L.2018, c.67 (C.18A:7F-70) shall not be subject to a reduction in
15 State aid pursuant to subsection b. of this section.

16 (4) A school district that is a participating district under an
17 application that is approved for a grant pursuant to subsection a. of
18 section 4 of P.L. , c. (C.) (pending before the Legislature
19 as this bill) or a school district that is a participating district under
20 an application that receives preliminary approval pursuant to
21 subsection b. of section 4 of P.L. , c. (C.) (pending before
22 the Legislature as this bill) and that has a State aid differential that
23 is positive may elect to receive State school aid in an amount equal
24 to the district's State aid in the prior school year minus a percent of
25 the State aid differential according to the following schedule:

- 26 (1) 30 percent in the 2021-2022 school year;
27 (2) 37 percent in the 2022-2023 school year;
28 (3) 46 percent in the 2023-2024 school year;
29 (4) 55 percent in the 2024-2025 school year;
30 (5) 65.5 percent in the 2025-2026 school year;
31 (6) 76 percent in the 2026-2027 school year;
32 (7) 88 percent in the 2027-2028 school year; and
33 (8) 100 percent in the 2028-2029 school year.

34 A school district with a State aid differential that is positive,
35 which is a participating district under an application that is
36 approved for a grant pursuant to subsection a. of section 4 of
37 P.L. , c. (C.) (pending before the Legislature as this bill) or
38 that receives preliminary approval under subsection b. of section 4
39 of P.L. , c. (C.) (pending before the Legislature as this bill)
40 but has not created or joined a limited purpose or all purpose
41 regional school district within two years following the grant
42 application approval or preliminary approval shall not be eligible to
43 receive State aid according to the schedule enumerated in this
44 paragraph.

45 As used in this paragraph, "participating district" means a school
46 district whose board of education by resolution certifies a
47 commitment to participate in a feasibility study submitted as part of
48 an application under the grant program established pursuant to

1 section 2 of P.L. , c. (C.) (pending before the Legislature
2 as this bill).

3 (5) Notwithstanding the provisions of section 32 of P.L.1996,
4 c.138 (C.18A:7F-32) or any other law, rule, or regulation to the
5 contrary, a school district that is a regional school district created
6 following the approval of a grant application pursuant to section 4
7 of P.L. , c. (C.) (pending before the Legislature as this bill)
8 shall, from the first full school year following the creation of the
9 regional school district through the 2028-2029 school year, receive
10 State school aid in an amount that is the greater of:

11 (a) the amount of State school aid that the newly created
12 regional school district would receive as a regional school district;
13 or

14 (b) the sum of the amount of State school aid received by each
15 school district constituting the newly created regional school
16 district prior to the creation of such regional school district.

17 d. Any decrease in State aid pursuant to subsection b. or c. of
18 this section shall first be deducted from a school district's or county
19 vocational school district's allotment of adjustment aid. Any
20 additional reduction shall be deducted from the school district's or
21 county vocational school district's allotment of non-SFRA aids,
22 followed by equalization aid, special education categorical aid,
23 security aid, and transportation aid.

24 e. Any remaining adjustment aid or non-SFRA aids shall be
25 reallocated to other State aid categories in a manner to be
26 determined by the commissioner.

27 (cf: P.L.2018, c.67, s.4)

28

29 23. This act shall take effect immediately.