

ASSEMBLY, No. 5721

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 17, 2021

Sponsored by:

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

SYNOPSIS

Establishes School Funding Formula Evaluation Task Force.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** establishing the School Funding Formula Evaluation Task
2 Force.

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

6
7 1. a. There is established the School Funding Formula
8 Evaluation Task Force. The purpose of the task force shall be to
9 study, evaluate, and assess the provision of State school aid
10 pursuant to the “School Funding Reform Act of 2008,” P.L.2007,
11 c.260 (C.18A:7F-43 et al.).

12 b. The task force shall consist of seven members, as follows:

13 (1) the Commissioner of Education or a designee; and

14 (2) six public members, each of whom shall have educational
15 experience and expertise in education and municipal finance and
16 school budgeting. Two of the members shall be appointed by the
17 Senate President, two of the members shall be appointed by the
18 Speaker of the General Assembly, one shall be appointed by the
19 Minority Leader of the Senate, and one shall be appointed by the
20 Minority Leader of the General Assembly.

21 c. The appointments to the task force shall be made within 30
22 days of the effective date of this act. Vacancies in the membership
23 of the task force shall be filled in the same manner as the original
24 appointments were made. Members of the task force shall serve
25 without compensation but shall be reimbursed for necessary
26 expenditures incurred in the performance of their duties as members
27 of the task force within the limits of funds appropriated or
28 otherwise made available to the task force for its purposes.

29 d. The task force shall organize as soon as practicable, but no
30 later than 30 days following the appointment of its members. The
31 task force shall choose a chairperson from among its members and
32 shall appoint a secretary who need not be a member of the task
33 force.

34 e. (1) The task force shall hold meetings at the request of the
35 chairperson and shall hold a minimum of three public meetings,
36 which shall each be held in the northern, central, and southern
37 regions of the State. The meetings may take place in-person or
38 through remote means. It shall be the purpose of the public
39 meetings to seek input and gather testimony on the effects of the
40 State’s current school funding formula and potential areas for
41 improvement within the formula from education stakeholders
42 including, but not limited to, education finance experts, school
43 leaders, school business officials, school board members, and
44 members of the public.

45 (2) During meetings of the task force, the Department of
46 Education shall make available to the members of the task force and
47 to the public the data inputs and calculations used by the
48 department in formulating State school aid for all school districts

1 under the “School Funding Reform Act of 2008,” P.L.2007, c.260
2 (C.18A:7F-43 et al.) and P.L.2018, c.67 (C.18A:7F-67 et al.)
3 including, but not limited to, the software program algorithm used
4 by the department to annually determine the property value rate and
5 the income value rate pursuant to subsection c. of section 10 of
6 P.L.2007, c.260 (C.18A:7F-52).

7 f. The Department of Education shall provide such
8 stenographic, clerical, and other administrative assistants, and such
9 professional staff as the task force requires to carry out its work.
10 The task force also shall be entitled to call to its assistance and avail
11 itself of the services of the employees of any State, county, or
12 municipal department, board, bureau, commission, or agency as it
13 may require and as may be available for its purposes.
14

15 2. It shall be the duty of the task force to study the
16 effectiveness of, and provide recommendations on potentially
17 improving, various aspects of the “School Funding Reform Act of
18 2008,” P.L.2007, c.260 (C.18A:7F-43 et al.), including, but not
19 limited to:

20 a. the manner in which school district adequacy budgets and
21 local shares are calculated;

22 b. the current methodology of measuring and weighting at-risk
23 students and students with limited English proficiency and the
24 impacts on the educational outcomes of those students;

25 c. the weights applied to students in different grade levels, as
26 well as those applied to students enrolled in county vocational
27 school districts;

28 d. the current methodology used to calculate the geographic cost
29 adjustment;

30 e. the use of the census-based funding methodology used in the
31 formula for determining the amount of State aid a school district
32 receives to educate its special education population and the effects
33 of potentially employing different methodologies;

34 f. the provision of extraordinary special education aid and the
35 cost thresholds used as the bases for reimbursement of
36 extraordinary special education costs;

37 g. the methodologies used to calculate security categorical aid
38 and transportation aid; and

39 h. the impact that the reallocation of State school aid pursuant to
40 P.L.2018, c.67 (C.18A:7F-67 et al.) had on school districts’
41 finances.
42

43 3. The task force shall issue a final report detailing its findings
44 and recommendations to the Governor, and to the Legislature
45 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) no later
46 than one year after the organization of the task force. The report
47 shall be posted in a prominent location on the Internet website of
48 the Department of Education.

4. This act shall take effect immediately, and shall expire 30 days after task force issues its final report.

STATEMENT

This bill establishes the School Funding Formula Evaluation Task Force. The purpose of the task force is to study, evaluate, and assess the provision of State school aid pursuant to the “School Funding Reform Act of 2008” (SFRA). The task force will consist of seven members, including: the Commissioner of Education or a designee; and six public members, each of whom shall have educational experience and expertise in education and municipal finance and school budgeting. Two of the members will be appointed by the Senate President, two members will be appointed by the Speaker of the General Assembly, and the Minority Leaders of the Senate and General Assembly will each appoint one member.

Under the bill, the duty of the task force is to study the effectiveness of, and provide recommendations on potentially improving, various aspects of the SFRA including, but not limited to:

- the manner in which school district adequacy budgets and local shares are calculated;
- the current methodology of measuring and weighting at-risk students and students with limited English proficiency and the impact on the educational outcomes of those students;
- the weights applied to students in different grade levels, as well as those applied to students enrolled in county vocational school districts;
- the current methodology used to calculate the geographic cost adjustment;
- the formula's use of the census-based funding methodology for determining the amount of State aid a school district receives to educate its special education population and the effects of potentially employing different methodologies;
- the provision of extraordinary special education aid and the cost thresholds used as the bases for reimbursement of extraordinary special education costs;
- the methodologies used to calculate security categorical aid and transportation aid; and
- the impact that the reallocation of State school aid pursuant to P.L.2018, c.67, commonly referred to as "S-2," had on school districts' finances.

The bill requires that the task force will issue a final report detailing its findings and recommendations to the Governor, and to the Legislature, no later than one year after the organization of the task force. The report will be posted in a prominent location on the Internet website of the Department of Education.