

**SENATE, No. 3488**

**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

INTRODUCED MARCH 4, 2021

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Cumberland, Gloucester and Salem)**

**Senator VIN GOPAL**

**District 11 (Monmouth)**

**Senator DECLAN J. O'SCANLON, JR.**

**District 13 (Monmouth)**

**Co-Sponsored by:**

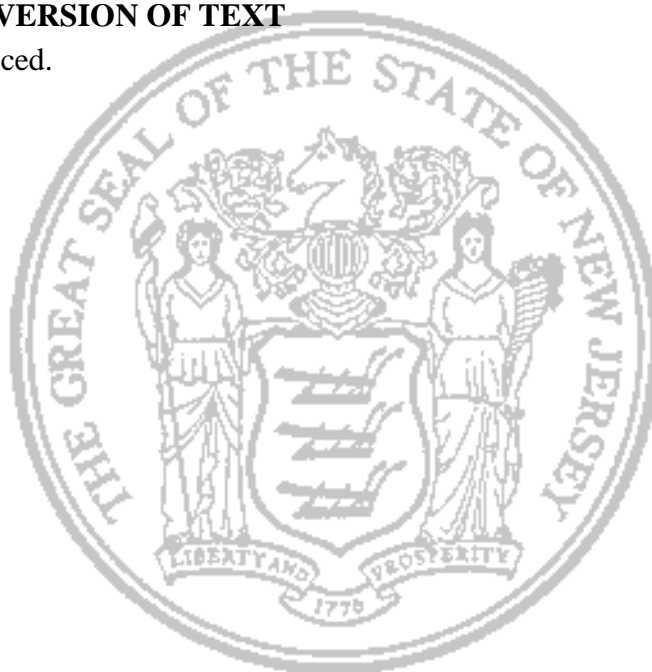
**Senators Singleton and Oroho**

**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 introduced.



**(Sponsorship Updated As Of: 3/22/2021)**

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 P.L. ,  
9 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, consolidated school  
19 district, and the governing body of a municipality constituting a  
20 constituent district of a limited purpose or all purpose regional  
21 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 in  
34 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:

**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.**

1 a. the boards of education or governing bodies of two or more  
2 school districts which have conducted within two years prior to the  
3 enactment of P.L. , c. (C. ) (pending before the Legislature  
4 as this bill) a feasibility study for which no prior reimbursement  
5 was made; and

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

10

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

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

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

37 (a) facility utilization;

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

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

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

- 1 (e) current and projected staffing needs and costs, including  
2 retirement and attrition trends for instructional, administrative, and  
3 support staff;
- 4 (f) an analysis of the differences in the salaries and terms and  
5 conditions of employment in elementary, middle, and high school  
6 teachers', administrators', and support staffs' contracts among the  
7 various districts, which analysis shall be developed by school  
8 districts and the majority representatives of all recognized  
9 bargaining units;
- 10 (g) State aid and tax revenue projections;
- 11 (h) potential cost savings from regionalization;
- 12 (i) student seat time and distance traveled, as well as potential  
13 increased or reduced transportation costs;
- 14 (j) kindergarten through 12 curriculum coordination  
15 improvements;
- 16 (k) enrichment of educational programs for students; 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 schools districts from which a school district is  
23 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 application  
40 submitted by the boards of education or governing bodies of two or  
41 more school districts pursuant to section 3 of P.L. , c. (C. )  
42 (pending before the Legislature as this bill) if the division  
43 determines that the application contains sufficient evidence to  
44 demonstrate that the proposed regionalization complies with the  
45 criteria enumerated in subsection b. of section 3 of P.L. ,  
46 c. (C. ) (pending before the Legislature as this bill) and is  
47 proposing to:

48 (1) form a countywide school district; or

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

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

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

30

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

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

1 subsection shall be provided based upon the terms and conditions of  
2 employment of the largest constituent district containing the  
3 identical grade levels; and

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

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

26 c. As used in this section, "largest constituent school district"  
27 means the school district that employs the largest number of  
28 teaching staff members.

29  
30 6. (New section) The Department of Education shall reimburse  
31 participating districts for any costs incurred to hold an election to  
32 establish or enlarge a limited purpose or all purpose regional district  
33 provided that the decision to establish or enlarge a limited purpose  
34 or all purpose regional district stems from the completion of a  
35 feasibility study conducted in connection with the grant program  
36 established pursuant to section 2 of P.L. , c. (C. ) (pending  
37 before the legislature as this bill).

38  
39 7. (New section) The Division of Local Government Services in  
40 the Department of Community Affairs shall provide notice to the  
41 Senate President, the Speaker of the General Assembly, the  
42 Minority Leader of the Senate, and the Minority Leader of the  
43 General Assembly upon the division's receipt of an application for  
44 a grant award submitted pursuant to section 4 of P.L. ,  
45 c. (C. ) (pending before the Legislature as this bill). The  
46 notice shall be provided within 15 days of the division's receipt of  
47 the application and shall include information identifying each  
48 applicant seeking a grant award.

1       8. (New section) The Division of Local Government Services in  
2 the Department of Community Affairs, in consultation with the  
3 Department of Education, shall submit a report on the  
4 implementation of the grant program established pursuant to section  
5 2 of P.L.     , c.     (C.     ) (pending before the Legislature as this  
6 bill) to the Governor, and to the Legislature pursuant to section 2 of  
7 P.L.1991, c.164 (C.52:14-19.1) within one year following the date  
8 of enactment of P.L.     , c.     (C.     ) (pending before the  
9 Legislature as this bill) and annually thereafter. The report shall  
10 include, but not be limited to:

11       a. an analysis of the grant program identifying:

12       (1) the boards of education or governing bodies that applied for  
13 a grant;

14       (2) the boards of education or governing bodies that were  
15 awarded a grant;

16       (3) the amount of each grant awarded;

17       (4) the availability of any funds remaining under the grant  
18 program; and

19       (5) the reasoning behind the denial of any grant application;

20       b. a description of the experience of the boards of education or  
21 governing bodies that applied and were approved for grant funding,  
22 including the status and analysis of any feasibility studies  
23 conducted with grant funding;

24       c. information on whether any grant recipients completed  
25 regionalization;

26       d. an analysis of any legal, financial, educational, or other  
27 factors that either facilitated or impeded the expansion or creation  
28 of a regional district by participating districts including, but not  
29 limited to, recommendations to existing State laws or regulations  
30 that would remove impediments to regionalization; and

31       e. recommendations as to the feasibility and advisability of  
32 expanding the grant program.

33

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

40       a. elect to adopt the expiring salary guide and terms and  
41 conditions of employment for a period not to exceed one year or  
42 until a successor agreement is negotiated with the majority  
43 representative of the new regional district, whichever occurs first;  
44 or

45       b. elect to adopt the salary guide and terms and conditions of  
46 employment of the largest comparable district joining the new  
47 regional district.



1       10. (New section) Notwithstanding section 3 of P.L.1995, c.294  
2 (C.18A:6-31.5) or any other law, rule, or regulation to the contrary,  
3 whenever a limited purpose or all purpose regional district is  
4 formed or enlarged, the tenure and seniority rights of all employees  
5 from the affected, constituent, replaced, displaced, or dissolved  
6 districts, except for employees who are superintendents without  
7 prior underlying tenure and seniority rights in the affected,  
8 constituent, replaced, displaced, or dissolved districts, which form  
9 or are a part of, or are affected, replaced, or displaced by the newly  
10 formed or enlarged limited purpose or all purpose regional district,  
11 shall be recognized and preserved by the newly formed or enlarged  
12 limited purpose or all purpose regional district and all periods of  
13 employment in any of the school districts shall count toward  
14 acquisition of tenure and seniority in the newly formed or enlarged  
15 limited purpose or all purpose regional district. All statutory and  
16 contractual rights to accumulated sick leave, leave of absence, and  
17 pension of an employee that have been acquired through  
18 employment in any of the districts shall be recognized by the newly  
19 formed or enlarged limited purpose or all purpose regional district.  
20 Notwithstanding the provisions of this section or any other law,  
21 rule, or regulation to the contrary, whenever a limited purpose or  
22 all-purpose regional district is formed or enlarged, any employee  
23 not covered by statutory seniority rights shall be placed on a  
24 seniority list in accordance with the employee's years of  
25 employment in any of the constituent districts for the purposes of  
26 employment.

27  
28       11. (New section) a. Notwithstanding any other law, rule, or  
29 regulation to the contrary, a board of education of a local school  
30 district or of a local school district constituting part of a limited  
31 purpose regional district, the governing body of a non-operating  
32 school district, or the governing body of a municipality constituting  
33 part of a constituent district of a limited purpose regional district,  
34 part of an all purpose regional district, or part of a consolidated  
35 school district may, by resolution, withdraw from a limited purpose  
36 or all purpose regional district or consolidated school district in  
37 order to form or enlarge a limited purpose or all purpose regional  
38 district provided that the withdrawal:

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

45       (2) does not increase or exacerbate the segregation of students  
46 enrolled in the school districts seeking to consolidate or in the  
47 regional district or consolidated school district from which a school

1 district is seeking to withdraw by racial, socio-economic, disability,  
2 or English Language Learner status;

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

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

9 (5) possesses the potential for improved efficiency and cost  
10 savings;

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

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

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

18 b. A board of education of a local school district or of a local  
19 school district constituting part of a limited purpose regional  
20 district, the governing body of a non-operating school district, or  
21 the governing body of a municipality constituting part of a  
22 constituent district of a limited purpose regional district, part of an  
23 all purpose regional district, or part of a consolidated school district  
24 that withdraws from a limited purpose or all purpose regional  
25 district or consolidated school district pursuant to the provisions of  
26 subsection a. of this section shall pay transitional support to the  
27 limited purpose or all purpose regional district in which it was  
28 formerly a member, less the tuition dollars paid pursuant to  
29 subsection c. of this section, in an amount equal to the difference  
30 between the amount to be paid to the limited purpose or all purpose  
31 regional district of which the district or municipality will be a  
32 member and the amount paid to the former limited purpose or all  
33 purpose regional district during the final year in which the district  
34 or municipality had been a member according to the following  
35 schedule:

36 (1) 100 percent during the first school year following  
37 withdrawal;

38 (2) 80 percent during the second school year following  
39 withdrawal;

40 (3) 60 percent during the third school year following  
41 withdrawal;

42 (4) 40 percent during the fourth school year following  
43 withdrawal; and

44 (5) 20 percent during the fifth school year following withdrawal.

45 A board of education of a local school district or of a local school  
46 district constituting part of a limited purpose regional district, the  
47 governing body of a non-operating school district, or the governing  
48 body of a municipality constituting part of a constituent district of a

1 limited purpose regional district, part of an all purpose regional  
2 district, or part of a consolidated school district shall not be  
3 responsible for any further transitional payments required pursuant  
4 to this subsection following the end of the fifth school year  
5 following withdrawal.

6 c. A student residing in the withdrawing district as of the date  
7 of enactment of P.L. , c. (C. ) (pending before the  
8 Legislature as this bill) may remain in the school in which the  
9 student is enrolled at the time of withdrawal on a tuition basis,  
10 which tuition shall be paid by the withdrawing district.

11

12 12. (New section) a. Notwithstanding the provisions of  
13 N.J.S.18A:13-34 or any other law, rule, or regulation to the  
14 contrary, the Commissioner of Education may permit the board of  
15 education of a regional district and the board or boards of education  
16 of one or more local districts, boards of education of two or more  
17 local districts, the board of education of a consolidated district, or  
18 the board of education of a district comprising two or more  
19 municipalities seeking to form or enlarge a limited purpose or all  
20 purpose regional district to agree to phase-in payment of the amount  
21 to be paid by each district under the apportionment method adopted  
22 by the voters. The phase-in payment schedule shall be for a period  
23 not to exceed 10 years. Following completion of the phase-in  
24 payment period, the method of apportionment shall revert to full  
25 payment under the method approved by the voters.

26 b. Notwithstanding the provisions of N.J.S.18A:13-34 or any  
27 other law, rule, or regulation to the contrary, the Commissioner of  
28 Education may permit the board of education of a regional district  
29 and the board or boards of education of one or more local districts,  
30 boards of education of two or more local districts, the board of  
31 education of a consolidated district, or the board of education of a  
32 district comprising two or more municipalities seeking to form or  
33 enlarge a limited purpose or all purpose regional district to agree to  
34 establish a transitional methodology, not to exceed 10 years, of the  
35 apportionment method adopted by the voters provided that the  
36 methodology is agreed to by all participating districts.

37

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

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

6  
7       14. (New section) a. Notwithstanding any law, rule, or  
8 regulation to the contrary, when a proposal to enlarge a limited  
9 purpose or all purpose regional district is submitted to the voters  
10 pursuant to N.J.S.18A:13-43, and the proposal is adopted by the  
11 voters pursuant to N.J.S.18A:13-44, a board of education of the  
12 regional district and the board or boards of education of one or  
13 more local districts determined to enlarge the regional district shall  
14 proceed with the regionalization plan in accordance with the  
15 provisions of the proposal. Any claim that a board of education is  
16 proceeding with the regionalization plan in a manner inconsistent  
17 with the provisions of the proposal shall be made directly to the  
18 Commissioner of Education.

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

25  
26       15. (New section) a. Notwithstanding any law, rule, or  
27 regulation to the contrary, when a proposal to add to the purposes  
28 for which a regional district was created is submitted to the voters  
29 and adopted pursuant to N.J.S.18A:13-33, the board of education of  
30 a constituent district and of the limited purpose or all purpose  
31 regional district, as applicable, shall proceed with the  
32 regionalization plan in accordance with the provisions of the  
33 proposal. Any claim that a board of education of a constituent  
34 district or the board of education of the limited purpose or all  
35 purpose regional district, as applicable, is proceeding with the  
36 regionalization plan in a manner inconsistent with the provisions of  
37 the proposal shall be made directly to the Commissioner of  
38 Education.

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

46  
47       16. (New section) a. Notwithstanding any law, rule, or  
48 regulation to the contrary, if a proposal to add additional purposes

1 will convert a regional district from a limited purpose regional  
2 district to an all purpose regional district, the proposal shall be  
3 submitted to the voters of each of the constituent districts of the  
4 regional district instead of at large to the voters of the regional  
5 district, and said proposal to convert a limited purpose regional  
6 district to an all purpose regional district may be considered  
7 adopted if a majority of the voters in a majority of the constituent  
8 districts that constitute the limited purpose regional district vote to  
9 form an all purpose regional district. Notwithstanding any law,  
10 rule, or regulation to the contrary, a board of education of a  
11 constituent district of a limited purpose regional district that does  
12 not vote to join an all purpose regional district pursuant to the  
13 provisions of this subsection may continue to send such students as  
14 were enrolled in the limited purpose regional district to the schools  
15 that were established as part of the limited purpose regional district.

16 b. Notwithstanding any law, rule, or regulation to the contrary,  
17 if a proposal to add additional purposes to a limited purpose  
18 regional district is adopted pursuant to the provisions of subsection  
19 a. of this section, the constituent districts constituting the limited  
20 purpose regional district shall calculate and apportion the  
21 membership of the board of education of the newly formed all  
22 purpose regional district upon the basis of a proportional number of  
23 pupils enrolled from each constituent district that constitutes the  
24 limited purpose regional district, including any district that does not  
25 vote to join the all purpose regional district and continues to send  
26 students to the schools of the limited purpose regional district  
27 pursuant to subsection a. of this section. However, each constituent  
28 district, including any district that does not vote to join the all  
29 purpose regional district and continues to send students to the  
30 schools of the limited purpose regional district pursuant to  
31 subsection a. of this section, shall have at least one member. A  
32 constituent district that does not vote to join the all purpose regional  
33 district but retains membership on the board of education of the  
34 newly formed all purpose regional district pursuant to the  
35 provisions of this subsection shall be eligible to vote on the  
36 following matters before the all purpose regional board of  
37 education:

38 (1) the amounts to be raised for annual or special appropriations  
39 and the apportionment method to be used pursuant to N.J.S.18A:13-  
40 34;

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

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

47 (4) appointment, transfer, or removal of teaching staff members  
48 and administrators providing services to pupils of the constituent

1 district that does not vote to join the all purpose regional district;  
2 and

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

6  
7 17. (New section) a. Notwithstanding any law, rule, or  
8 regulation to the contrary, when a limited purpose regional district  
9 is proposing to add additional purposes that will convert the limited  
10 purpose regional district to an all purpose regional district, the  
11 constituent districts may by resolution frame and adopt a proposal  
12 to calculate and apportion the membership of the board of education  
13 of the newly formed all purpose regional district among the  
14 constituent districts as nearly as may be according to the number of  
15 their inhabitants, except that each constituent district shall have at  
16 least one member.

17 The new members of the board of education of the newly created  
18 all purpose regional district, who shall serve until the election of the  
19 first elected members of the newly formed regional district pursuant  
20 to the provisions of subsection b. of this section, shall be selected as  
21 follows:

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

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

29 b. Notwithstanding any law, rule, or regulation to the contrary,  
30 the first elected members of the board of education of the newly  
31 formed regional district shall be elected in accordance with the  
32 proposal to calculate and apportion the membership of the board of  
33 education adopted pursuant to subsection a. of this section at the  
34 annual election to be held in the calendar year first succeeding the  
35 year in which the election for the creation of the district was held.

36  
37 18. (New section) a. Notwithstanding the provisions of  
38 N.J.S.18A:13-8 or any other law, rule, or regulation to the contrary,  
39 the boards of education proposing to form a newly created regional  
40 district may by resolution frame and adopt a proposal to calculate  
41 and apportion the membership of the board of education of the  
42 newly created regional district according to the number of each  
43 constituent districts' inhabitants, except that each constituent  
44 district shall have at least one member. The calculation and method  
45 of apportionment chosen pursuant to the provisions of this  
46 subsection need not be approved by the commissioner or his  
47 representative. If the commissioner or his representative  
48 determines that it is advisable for such districts to form a newly

1 created regional district, and the question of whether or not the  
2 proposal to create a regional district is submitted to the voters  
3 pursuant to N.J.S.18A:13-34, and the proposal is adopted by the  
4 voters pursuant to N.J.S.18A:13-35, then the members of the board  
5 of education of the newly formed regional district shall be selected  
6 from among the members of the boards of education of each  
7 constituent district of the newly created regional district, who shall  
8 serve until the election of the first elected members of the newly  
9 created regional district pursuant to the provisions of subsection b.  
10 of this section, in accordance with the proposal to calculate and  
11 apportion the membership of the board of education adopted  
12 pursuant to this subsection.

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

20

21 19. (New section) a. Notwithstanding the provisions of  
22 N.J.S.18A:13-8 or any other law, rule, or regulation to the contrary,  
23 the board of education of a regional district and the board or boards  
24 of education of one or more local districts determined to enlarge the  
25 regional district may by resolution frame and adopt a proposal to  
26 calculate and apportion the membership of the enlarged board of  
27 education according to the number of each constituent districts'  
28 inhabitants, except that each constituent district shall have at least  
29 one member. The calculation and method of apportionment chosen  
30 pursuant to the provisions of this subsection need not be approved  
31 by the commissioner or his representative. If the commissioner or  
32 his representative determines that it is advisable to enlarge the  
33 regional district to include the local district or districts therein, and  
34 the question of whether or not the proposal to enlarge the regional  
35 district is submitted to the voters pursuant to N.J.S.18A:13-43, and  
36 the proposal is adopted by the voters pursuant to N.J.S.18A:13-44,  
37 then all members of the board of education of the enlarged regional  
38 district shall be elected in accordance with the proposal to calculate  
39 and apportion the membership of the board of education adopted  
40 pursuant to this subsection at the next annual school election after  
41 the election to enlarge the regional district.

42 b. For an enlarged regional district with a board of education  
43 apportioned pursuant to this section, the board of education of the  
44 new constituent district of the enlarged regional district shall, not  
45 later than 30 days after the election for the enlargement thereof,  
46 appoint one member of the enlarged board of education of the  
47 regional district from among the members of the board of education  
48 of the new constituent district, and the member so appointed shall

1 serve until the first Monday succeeding the first annual April school  
2 election of the enlarged regional district. In the case of a regional  
3 district in which the annual school election is in November, the  
4 member so appointed shall serve until the first week in January next  
5 succeeding the first annual November school election of the  
6 enlarged district.

7  
8 20. N.J.S.18A:13-34 is amended to read as follows:

9 18A:13-34. If the boards of education of two or more local  
10 districts, or the board of education of a consolidated district, or of a  
11 district comprising two or more municipalities, and the  
12 commissioner or his representative, after consultation, study and  
13 investigation, shall determine, that it is advisable for such districts  
14 to join and create, or for such district to become

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

17 (b) a limited purpose regional school district to provide and  
18 operate, in the territory comprised within such local districts or  
19 district, one or more of the following: elementary schools, junior  
20 high schools, high schools, vocational schools, special schools,  
21 health facilities or particular educational services or facilities, that  
22 board or boards shall by resolution frame and adopt a proposal to  
23 that effect stating also the manner in which the amounts to be raised  
24 for annual or special appropriations for such proposed regional  
25 school district, including the amounts to be raised for interest upon,  
26 and the redemption of bonds payable by the regional district, shall  
27 be apportioned upon the basis of:

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

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

36 c. any combination of apportionment based upon equalized  
37 valuations pursuant to subsection a. of this section or pupil  
38 enrollments pursuant to subsection b. of this section, and each such  
39 board shall submit on the same day in each municipality in its  
40 district at a special election or at the general election the question  
41 whether or not the proposal shall be approved, briefly describing  
42 the contents of the resolution and stating the date of its adoption  
43 and they may submit also, at the special election, as part of such  
44 proposal, any other provisions which may be submitted, at such a  
45 special election, under the provisions of this chapter **【but no】** and  
46 any such special election 【shall be held on any day before April 15  
47 or after December 1 of any calendar year】 pursuant to the



1 provisions of this section shall be held pursuant to the provisions of  
2 P.L.1995, c.278 (C.19:60-1 et seq.). Except as otherwise provided  
3 herein, the special election shall be conducted in accordance with  
4 the provisions of P.L.1995, c.278 (C.19:60-1 et al.).  
5 (cf: P.L.2013, c.172, s.3)

6  
7 21. N.J.S.18A:13-43 is amended to read as follows:

8 18A:13-43. If the board of education of a regional district and  
9 the board or boards of education of one or more local districts, and  
10 the commissioner or his representative, after consultation, study and  
11 investigation, shall determine that it is advisable to enlarge the  
12 regional school district so as to include said local district or districts  
13 therein, the board of education of the regional district and of each  
14 such local district shall by resolution frame and adopt a proposal to  
15 that effect and shall submit upon the same day, in such regional  
16 district and in each such local school district, at a special school  
17 election held pursuant to the provisions of P.L.1995, c.278  
18 (C.19:60-1 et seq.) or at an election to be held on the third Tuesday  
19 in April the question whether or not said proposal shall be approved  
20 briefly describing the contents of said resolution and stating the  
21 date of its adoption and they may submit also at such special  
22 election as part of such proposal any other provision which may be  
23 submitted at such a special election under the provisions of this  
24 chapter.

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

26

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

29 4. a. Notwithstanding the provisions of P.L.2007, c.260  
30 (C.18A:7F-43 et al.) or any other law to the contrary, in the 2019-  
31 2020 through 2024-2025 school years, a school district or county  
32 vocational school district in which the State aid differential  
33 calculated is negative shall receive State school aid in an amount  
34 equal to the sum of the district's State aid in the prior school year  
35 plus the district's proportionate share of the sum of any increase in  
36 State aid included in the annual appropriations act for that fiscal  
37 year and the total State aid reduction pursuant to subsection b. of  
38 this section based on the district's State aid differential as a percent  
39 of the Statewide total State aid differential among all school  
40 districts and county vocational school districts for which the State  
41 aid differential is negative. Any increase in State aid pursuant to  
42 this subsection shall first be allocated to equalization aid, followed  
43 by special education categorical aid, security categorical aid, and  
44 transportation aid, except that no category shall exceed the total  
45 amount as calculated in accordance with the provisions of sections  
46 11, 13, 14, and 15 of P.L.2007, c.260 (C.18A:7F-53, C.18A:7F-55,  
47 C.18A:7F-56, and C.18A:7F-57), respectively.

1       b. Except as provided pursuant to subsection c. of this section,  
2 and notwithstanding the provisions of P.L.2007, c.260 (C.18A:7F-  
3 43 et al.) or any other law to the contrary, in the 2019-2020 through  
4 2024-2025 school years, a school district or county vocational  
5 school district in which the State aid differential is positive shall  
6 receive State school aid in an amount equal to the district's State aid  
7 in the prior school year minus a percent of the State aid differential  
8 according to the following schedule:

- 9       (1) 13 percent in the 2019-2020 school year;
- 10       (2) 23 percent in the 2020-2021 school year;
- 11       (3) 37 percent in the 2021-2022 school year;
- 12       (4) 55 percent in the 2022-2023 school year;
- 13       (5) 76 percent in the 2023-2024 school year; and
- 14       (6) 100 percent in the 2024-2025 school year.

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

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

29       (3) A school district, other than an SDA district, that is located  
30 in a municipality in which the equalized total tax rate is at least 10  
31 percent greater than the Statewide average equalized total tax rate  
32 for the most recent available calendar year and is spending at least  
33 10 percent below adequacy as calculated pursuant to section 1 of  
34 P.L.2018, c.67 (C.18A:7F-70) shall not be subject to a reduction in  
35 State aid pursuant to subsection b. of this section.

36       (4) A school district that is a participating district under an  
37 application that is approved for a grant pursuant to subsection a. of  
38 section 4 of P.L. , c. (C. ) (pending before the Legislature  
39 as this bill) or a school district that is a participating district under  
40 an application that receives preliminary approval pursuant to  
41 subsection b. of section 4 of P.L. , c. (C. ) (pending before  
42 the Legislature as this bill) and that has a State aid differential that  
43 is positive may elect to receive State school aid in an amount equal  
44 to the district's State aid in the prior school year minus a percent of  
45 the State aid differential according to the following schedule:

- 46       (1) 30 percent in the 2021-2022 school year;
- 47       (2) 37 percent in the 2022-2023 school year;
- 48       (3) 46 percent in the 2023-2024 school year;

- 1     (4) 55 percent in the 2024-2025 school year;
- 2     (5) 65.5 percent in the 2025-2026 school year;
- 3     (6) 76 percent in the 2026-2027 school year;
- 4     (7) 88 percent in the 2027-2028 school year; and
- 5     (8) 100 percent in the 2028-2029 school year.

6     A school district with a State aid differential that is positive,  
7 which is a participating district under an application that is  
8 approved for a grant pursuant to subsection a. of section 4 of  
9 P.L. , c. (C. ) (pending before the Legislature as this bill) or  
10 that receives preliminary approval under subsection b. of section 4  
11 of P.L. , c. (C. ) (pending before the Legislature as this bill)  
12 but has not created or joined a limited purpose or all purpose  
13 regional school district within two years following the grant  
14 application approval or preliminary approval shall not be eligible to  
15 receive State aid according to the schedule enumerated in this  
16 paragraph.

17     As used in this paragraph, “participating district” means a school  
18 district whose board of education by resolution certifies a  
19 commitment to participate in a feasibility study submitted as part of  
20 an application under the grant program established pursuant to  
21 section 2 of P.L. , c. (C. ) (pending before the Legislature  
22 as this bill).

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

31     (a) the amount of State school aid that the newly created  
32 regional school district would receive as a regional school district;  
33 or

34     (b) the sum of the amount of State school aid received by each  
35 school district constituting the newly created regional school  
36 district prior to the creation of such regional school district.

37     d. Any decrease in State aid pursuant to subsection b. or c. of  
38 this section shall first be deducted from a school district's or county  
39 vocational school district's allotment of adjustment aid. Any  
40 additional reduction shall be deducted from the school district's or  
41 county vocational school district's allotment of non-SFRA aids,  
42 followed by equalization aid, special education categorical aid,  
43 security aid, and transportation aid.

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

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

1       23. This act shall take effect immediately.

2

3

4

STATEMENT

5

6       This bill creates a grant program within the Division of Local  
7 Government Services in the Department of Community Affairs, the  
8 purpose of which is to provide for the reimbursement of eligible  
9 costs associated with conducting feasibility studies that support the  
10 creation of meaningful and implementable plans to form or expand  
11 regional school districts.

12       In order to be eligible for a grant, applicant boards of education  
13 or certain municipal governing bodies are required to meet certain  
14 criteria, namely that the proposed regionalization: does not increase  
15 or exacerbate the segregation of students enrolled in the school  
16 districts seeking to consolidate or, as applicable, in the school  
17 districts from which a school district is seeking to withdraw by  
18 racial, socio-economic, disability, or English Language Learner  
19 status; to the maximum extent practicable, will lead to the  
20 establishment of a limited purpose or all purpose regional school  
21 district; consolidates school districts that are in close geographic  
22 proximity of each other. School districts need not be immediately  
23 contiguous as long as the consolidation and any geographic  
24 separation is not so large as to contradict the potential for improved  
25 efficiency and cost savings; possesses the potential for improved  
26 efficiency and cost savings; possesses the potential to advance an  
27 enhanced learning environment for participating districts;  
28 coordinates curriculum across schools and grades throughout the  
29 proposed limited purpose or all purpose regional school district; and  
30 reflects a documented commitment from the participating districts  
31 to make good faith efforts to implement the recommendations of the  
32 feasibility study that promote efficiency and quality of education.

33       Boards of education or governing bodies whose applications  
34 under the grant program are approved would be reimbursed up to an  
35 amount or percentage to be annually determined by the division,  
36 with 50 percent of the grant award to be distributed upon the  
37 division's final approval of the grant application and the remaining  
38 50 percent distributed upon the division's acceptance of the  
39 completed feasibility study. The bill also provides for preliminary  
40 application approval if the division determines that an application  
41 presents sufficient evidence of compliance with the criteria laid out  
42 in the bill and the application proposes to form either a countywide  
43 school district or an all purpose regional school district through  
44 expansion of an existing limited purpose school district.

45       The bill amends a section of P.L.2018, c.67, commonly referred  
46 to as "S-2," to provide financial relief to districts provided approval  
47 or preliminary approval under the grant program which have a  
48 positive State aid differential and are currently subject to State aid

1 reductions. Under the bill, a school district that is a regional school  
2 district created following the approval of a grant application will,  
3 from the first full school year following the creation of the regional  
4 school district through the 2028-2029 school year, receive State  
5 school aid in an amount that is the greater of: the amount of State  
6 school aid that the newly created regional school district would  
7 receive as a regional school district; or the sum of the amount of  
8 State school aid received by each school district constituting the  
9 newly created regional school district prior to the creation of the  
10 regional school district.

11 In addition to certain other requirements, the bill generally  
12 permits a new regional school district that is formed following an  
13 approved application under the bill's grant program to apply the  
14 terms and conditions of employment of the largest constituent  
15 school district in full after three years following the formation of  
16 the regional district or until a successor agreement is negotiated,  
17 whichever occurs first. Under current law, the terms and conditions  
18 of employment in a new regional school district are required to be  
19 that of the constituent district that employs the largest number of  
20 teaching staff members prior to regionalization.

21 The bill also requires the Department of Education to reimburse  
22 participating districts for any costs incurred to hold an election to  
23 establish or enlarge a limited purpose or all purpose regional district  
24 that stems from a feasibility study conducted in connection with the  
25 bill's grant program.

26 Under the bill, whenever the salary guide and terms and  
27 conditions of employment of one or more school districts seeking to  
28 join a newly formed or existing limited purpose or all purpose  
29 regional district will expire upon the formation of the new regional  
30 district, that school district may either (1) elect to adopt the expiring  
31 salary guide and terms and conditions of employment for a period  
32 not to exceed one year or until a successor agreement is negotiated  
33 with the majority representative of the new regional district,  
34 whichever occurs first; or (2) elect to adopt the salary guide and  
35 terms and conditions of employment of the largest comparable  
36 district joining the new regional district.

37 Under the bill, whenever a limited purpose or all purpose  
38 regional district is formed or enlarged, the tenure and seniority  
39 rights of all employees from the affected, constituent, replaced,  
40 displaced, or dissolved districts, except for employees who are  
41 superintendents without prior underlying tenure and seniority rights  
42 in the affected, constituent, replaced, displaced, or dissolved  
43 districts, which form or are part of, or are affected, replaced or  
44 displaced by the newly formed or enlarged limited purpose or all  
45 purpose regional district, will be recognized and preserved by the  
46 newly formed or expanded limited purpose or all purpose regional  
47 district and all periods of employment in any of the school districts  
48 shall count toward acquisition of tenure and seniority in the newly

1 formed or enlarged limited purpose or all purpose regional district.  
2 All statutory and contractual rights to accumulated sick leave, leave  
3 of absence, and pension of an employee that have been acquired  
4 through employment in any of the districts shall be recognized by  
5 the newly formed or enlarged limited purpose or all purpose  
6 regional district under the bill. Under the bill, whenever a limited  
7 purpose or all-purpose regional district is formed or enlarged, any  
8 employee not covered by statutory seniority rights will be placed on  
9 a seniority list in accordance with the employee's years of  
10 employment in any of the constituent districts for the purposes of  
11 employment.

12 This bill provides that a board of education of a local school  
13 district or of a local school district constituting part of a limited  
14 purpose regional district, the governing body of a non-operating  
15 school district, or the governing body of a municipality constituting  
16 a constituent district of a limited purpose regional district, part of an  
17 all purpose regional district, or part of a consolidated school  
18 district, may by resolution, withdraw from a limited purpose or all  
19 purpose regional district or consolidated school district in order to  
20 form or enlarge a limited purpose or all purpose regional district. In  
21 order to be eligible to withdraw under the provisions of the bill, the  
22 board of education or governing body of the municipality must meet  
23 a number of conditions that include, but are not limited to, approval  
24 by the Commissioner of Education, which approval is required to be  
25 obtained prior to any election held to determine whether to enlarge  
26 the limited purpose or all purpose regional district that the  
27 withdrawing board of education or governing body will join, and  
28 that the withdrawal does not increase or exacerbate the segregation  
29 of students enrolled in the school districts seeking to consolidate or  
30 in the regional school district or consolidate school district from  
31 which a school district is seeking to withdraw by racial, socio-  
32 economic, disability, or English Language Learner status.

33 Under the bill, the withdrawing school district is required to pay  
34 transitional support to the limited purpose or all purpose regional  
35 district or consolidated district in which it was formerly a member,  
36 less the amount paid in tuition dollars under the provisions of the  
37 bill, in an amount equal to the difference between the amount to be  
38 paid to the limited purpose or all purpose regional district of which  
39 the district or municipality will be a member and the amount paid to  
40 the former limited purpose or all purpose regional district or  
41 consolidated district during the final year in which the district or  
42 municipality had been a member according to the following  
43 schedule:

- 44 (1) 100 percent during the first school year following  
45 withdrawal;
- 46 (2) 80 percent during the second school year following  
47 withdrawal;

1 (3) 60 percent during the third school year following  
2 withdrawal;

3 (4) 40 percent during the fourth school year following  
4 withdrawal; and

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

6 No further transitional payments will be made following the end of  
7 the fifth school year following withdrawal. A student that resides in  
8 the withdrawing district at the time of the bills enactment can  
9 remain in the school in which the student is enrolled at the time of  
10 withdrawal on a tuition basis.

11 The bill provides that the Commissioner of Education can permit  
12 school districts seeking to form or enlarge a regional district to  
13 agree to phase-in payment of the amounts each district must pay  
14 under the apportionment method adopted by the voters, with such  
15 phase-in payment period not to exceed 10 years, or to agree to  
16 establish a transitional methodology, not to exceed ten years, of the  
17 apportionment method adopted by the voters provided that the  
18 methodology is agreed to by all participating districts.

19 The bill provides that when a proposal to form or enlarge a  
20 limited purpose or all purpose regional district, or a proposal to  
21 convert a limited purpose to an all purpose regional district, is  
22 adopted by the voters of the district, a constituent district or board  
23 of education, as applicable, must proceed with the regionalization  
24 plan in accordance with the provisions of the proposal. Claims that  
25 a constituent district or board of education is proceeding with the  
26 regionalization plan in a manner inconsistent with the provisions of  
27 the plan will be made to the Commissioner of Education. If the  
28 commissioner determines that the constituent district or board of  
29 education is acting in a manner inconsistent with the provisions of  
30 the proposal, the constituent district or board of education must  
31 submit plans to the commissioner detailing the steps to be taken to  
32 address such inconsistencies.

33 The bill provides that a limited purpose regional district can  
34 convert to an all purpose regional district when a majority of the  
35 voters in a majority of the constituent districts that constitute the  
36 limited purpose regional district vote to form an all purpose  
37 regional district. If an all purpose regional district is formed as a  
38 result of a vote by the majority of the voters in a majority of the  
39 constituent districts, any constituent district that votes not to join  
40 the all purpose regional district can continue to send students that  
41 were enrolled in the limited purpose regional district to the schools  
42 that were established as part of the limited purpose district.

43 Under the bill, membership of the board of education of the new  
44 all purpose regional district formed when only a majority of the  
45 voters of the majority of the constituent districts of the limited  
46 purpose regional district vote to form an all purpose regional will be  
47 calculated and apportioned upon the basis of a proportional number  
48 of pupils enrolled from each constituent district that constitutes the

1 limited purpose regional district, with the regional board of  
2 education membership to include any district that does not vote to  
3 join the all purpose regional district and continues to send students  
4 to the schools of the limited purpose regional district, with each  
5 district required to have at least one member. A constituent district  
6 that does not vote to join the all purpose regional but retains  
7 membership on the board of education of the newly formed all  
8 purpose regional would be permitted to vote on matters provided for  
9 under the provisions of the bill.

10 The bill provides that when all of the constituent districts of a  
11 limited purpose regional district vote to add additional purposes that  
12 will convert the limited purpose regional district to an all purpose  
13 regional district, the constituent districts can calculate and apportion  
14 membership of the board of education of the newly formed regional  
15 district based upon their inhabitants, with each constituent district  
16 required to have at least one member. For the initial term following  
17 the election for the creation of the district, two-thirds of the  
18 membership of the board of education of the newly formed all  
19 purpose regional district would be selected from among the  
20 members of the boards of education or governing bodies of the  
21 constituent districts constituting the limited purpose regional  
22 district and one-third of the membership of the board of education  
23 of the newly formed all purpose regional district would be selected  
24 from among them members of the board of education of the limited  
25 purpose regional district proposing to form the all purpose regional  
26 district. The first elected members of the board of education of this  
27 newly created regional district would be elected at the annual  
28 election to be held in the calendar year first succeeding the year in  
29 which the election for the creation of the district was held.

30 The bill also provides school districts seeking to form new  
31 regional districts or enlarge currently existing regional districts with  
32 additional methods by which to calculate and apportion the  
33 membership on the board of education of the newly formed or  
34 enlarged regional district.

35 Lastly, the bill amends current law to permit a special election to  
36 consider the creation or enlargement of a regional district to be held  
37 pursuant to the provisions of P.L.1995, c.278 (C.19:60-1).