

[First Reprint]

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)

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District 11 (Monmouth)

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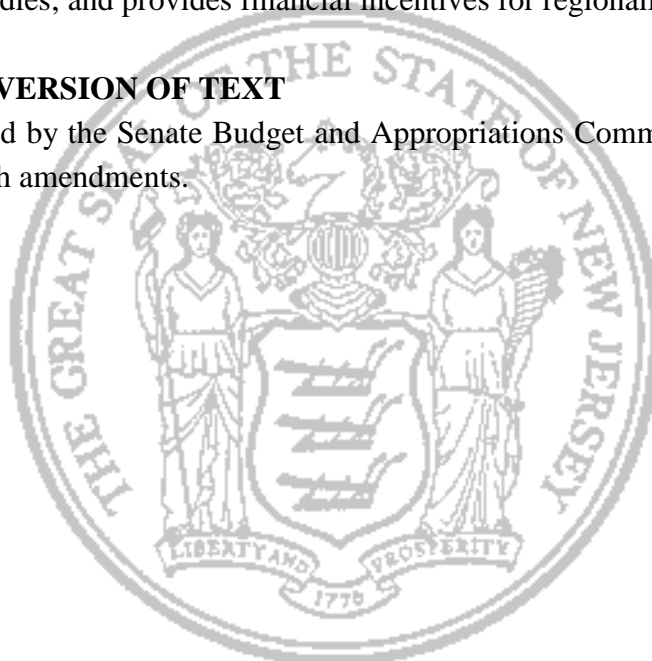
Senators Singleton and Oroho

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 reported by the Senate Budget and Appropriations Committee on March 22, 2021, with amendments.



(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, 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 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted March 22, 2021.

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

- 1 (2) to the maximum extent practicable, will lead to the
2 establishment of a limited purpose or all purpose regional district;
- 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) possesses the potential for improved efficiency and cost
8 savings;
- 9 (5) possesses the potential to advance an enhanced learning
10 environment for participating districts;
- 11 (6) coordinates curriculum across schools and grades throughout
12 the proposed limited purpose or all purpose regional school; and
- 13 (7) reflects a documented commitment from the participating
14 districts to make good faith efforts to implement the
15 recommendations of the feasibility study that promote efficiency
16 and quality of education.
- 17 c. The Commissioner of Education shall review every
18 application submitted pursuant to this section, except for an
19 application eligible for preliminary approval pursuant to subsection
20 b. of section 4 of P.L. , c. (C.) (pending before the
21 Legislature as this bill), and shall certify, in writing, that the newly
22 formed or enlarged regional district will not increase or exacerbate
23 segregation among the districts seeking to regionalize or, as
24 applicable, the ¹【schools】 school¹ districts from which a school
25 district is seeking to withdraw.
26
- 27 4. (New section) a. The division shall review all applications
28 submitted pursuant to section 3 of P.L. , c. (C.) (pending
29 before the Legislature as this bill) and shall only approve
30 applications that meet the eligibility criteria set forth in subsection
31 b. of section 3 of P.L. , c. (C.) (pending before the
32 Legislature as this bill) and that are certified by the commissioner
33 pursuant to subsection c. of section 3 of P.L. , c. (C.)
34 (pending before the Legislature as this bill). Boards of education or
35 governing bodies whose applications are denied approval for a grant
36 shall be provided a notice describing the reasons for the denial and
37 the applicant shall be afforded an opportunity for a hearing before
38 an administrative law judge to contest the decision, which shall
39 conform with the provisions applicable to such contested cases in
40 this State as set forth in statute and regulation.
- 41 b. The division may grant preliminary approval of an application
42 submitted by the boards of education or governing bodies of two or
43 more school districts pursuant to section 3 of P.L. , c. (C.)
44 (pending before the Legislature as this bill) if the division
45 determines that the application contains sufficient evidence to
46 demonstrate that the proposed regionalization complies with the
47 criteria enumerated in subsection b. of section 3 of P.L. ,

1 c. (C.) (pending before the Legislature as this bill) and is
2 proposing to:

3 (1) form a countywide school district; or

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

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

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

33

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

39 (1) the salary guide and terms and conditions of employment,
40 whether established through a collective negotiations agreement or
41 past practice, of the largest constituent school district shall apply in
42 full after three years following the formation of the regional district
43 or until a successor agreement is negotiated with the majority
44 representative of the new school district, whichever occurs
45 first. The salary guide and terms and conditions of employment
46 that will apply pursuant to the provisions of this subsection shall be
47 based upon the terms and conditions of employment of the largest
48 constituent district made up of only the identical grade levels. In

1 the event that there is no constituent district made up of only the
2 identical grade levels, the salary guide and terms and conditions of
3 employment that will apply pursuant to the provisions of this
4 subsection shall be ¹~~provided~~¹ based upon the terms and
5 conditions of employment of the largest constituent district
6 containing the identical grade levels; and

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

15 b. Notwithstanding the provisions of the "New Jersey
16 Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1
17 et seq.) or of any other law, rule, or regulation to the contrary,
18 whenever a regional district is formed following the approval of an
19 application pursuant to section 4 of P.L. , c. (C.) (pending
20 before the Legislature as this bill), the newly formed regional
21 district shall recognize ¹~~the~~¹ each majority representative of the
22 ¹~~classification of employees~~¹ existing bargaining units¹ in the
23 largest constituent district as the majority ¹~~representative~~¹
24 representatives¹ of those ¹separate bargaining units of¹ employees,
25 except that if the largest constituent district does not ¹~~represent~~¹
26 ~~that~~ have a majority representative currently representing a¹
27 classification of employees, then the majority representative of the
28 next largest constituent district that represents ¹a bargaining unit¹
29 representing¹ that classification of employees shall be recognized
30 by the newly formed regional district as the majority representative
31 of that classification of employees.

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

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

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

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

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

- 35 a. an analysis of the grant program identifying:
36 (1) the boards of education or governing bodies that applied for
37 a grant;
38 (2) the boards of education or governing bodies that were
39 awarded a grant;
40 (3) the amount of each grant awarded;
41 (4) the availability of any funds remaining under the grant
42 program; and
43 (5) the reasoning behind the denial of any grant application;
44 b. a description of the experience of the boards of education or
45 governing bodies that applied and were approved for grant funding,
46 including the status and analysis of any feasibility studies
47 conducted with grant funding;

1 c. information on whether any grant recipients completed
2 regionalization;

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

8 e. recommendations as to the feasibility and advisability of
9 expanding the grant program.

10

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

17 a. elect to adopt the expiring salary guide and terms and
18 conditions of employment for a period not to exceed one year or
19 until a successor agreement is negotiated with the majority
20 representative of the new regional district, whichever occurs first;
21 or

22 b. elect to adopt the salary guide and terms and conditions of
23 employment of the largest comparable district joining the new
24 regional district.

25

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

1 seniority list in accordance with the employee's years of
2 employment in any of the constituent districts for the purposes of
3 employment.

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

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

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

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

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

34 (5) possesses the potential for improved efficiency and cost
35 savings;

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

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

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

43 b. A board of education of a local school district or of a local
44 school district constituting part of a limited purpose regional
45 district, the 'board of education or' governing body of a non-
46 operating school district, or the governing body of a municipality
47 constituting '[part of]' a constituent district of a limited purpose
48 regional district, part of an all purpose regional district, or part of a

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

14 (1) 100 percent during the first school year following
15 withdrawal;

16 (2) 80 percent during the second school year following
17 withdrawal;

18 (3) 60 percent during the third school year following
19 withdrawal;

20 (4) 40 percent during the fourth school year following
21 withdrawal; and

22 (5) 20 percent during the fifth school year following withdrawal.

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

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

38

39 12. (New section) a. Notwithstanding the provisions of
40 N.J.S.18A:13-34 or any other law, rule, or regulation to the
41 contrary, the Commissioner of Education may permit the board of
42 education of a regional district and the board or boards of education
43 of one or more local districts, boards of education of two or more
44 local districts, the board of education of a consolidated district, or
45 the board of education of a district comprising two or more
46 municipalities seeking to form or enlarge a limited purpose or all
47 purpose regional district to agree to phase-in payment of the amount

1 to be paid by each district under the apportionment method adopted
2 by the voters. The phase-in payment schedule shall be for a period
3 not to exceed 10 years. Following completion of the phase-in
4 payment period, the method of apportionment shall revert to full
5 payment under the method approved by the voters.

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

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

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

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

46 b. In the event that the commissioner determines that a board of
47 education of a regional district or of one or more local districts is
48 acting in a manner inconsistent with the provisions of a proposal

1 adopted pursuant to N.J.S.18A:13-44, such board of education shall
2 submit plans to the commissioner detailing the steps to be taken to
3 address such inconsistencies.

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

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

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

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

23 (1) the amounts to be raised for annual or special appropriations
24 and the apportionment method to be used pursuant to N.J.S.18A:13-
25 34;

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

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

32 (4) appointment, transfer, or removal of teaching staff members
33 and administrators providing services to pupils of the constituent
34 district that does not vote to join the all purpose regional district;
35 and

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

39

40 17. (New section) a. Notwithstanding any law, rule, or
41 regulation to the contrary, when a limited purpose regional district
42 is proposing to add additional purposes that will convert the limited
43 purpose regional district to an all purpose regional district, the
44 constituent districts may by resolution frame and adopt a proposal
45 to calculate and apportion the membership of the board of education
46 of the newly formed all purpose regional district among the
47 constituent districts as nearly as may be according to the number of

1 their inhabitants, except that each constituent district shall have at
2 least one member.

3 The new members of the board of education of the newly created
4 all purpose regional district, who shall serve until the election of the
5 first elected members of the newly formed regional district pursuant
6 to the provisions of subsection b. of this section, shall be selected as
7 follows:

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

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

15 b. Notwithstanding any law, rule, or regulation to the contrary,
16 the first elected members of the board of education of the newly
17 formed regional district shall be elected in accordance with the
18 proposal to calculate and apportion the membership of the board of
19 education adopted pursuant to subsection a. of this section at the
20 annual election to be held in the calendar year first succeeding the
21 year in which the election for the creation of the district was held.
22

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

47 b. Notwithstanding any law, rule, or regulation to the contrary,
48 the first elected members of the board of education of a newly

1 created regional district shall be elected in accordance with the
2 proposal to calculate and apportion the membership of the board of
3 education adopted pursuant to subsection a. of this section at the
4 annual election to be held in the calendar year first succeeding the
5 year in which the election for the creation of the district was held.

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

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

41
42 20. N.J.S.18A:13-34 is amended to read as follows:

43 18A:13-34. If the boards of education of two or more local
44 districts, or the board of education of a consolidated district, or of a
45 district comprising two or more municipalities, and the
46 commissioner or his representative, after consultation, study and
47 investigation, shall determine, that it is advisable for such districts
48 to join and create, or for such district to become

1 (a) an all purpose regional school district for all the school
2 purposes of such districts or district, or
3 (b) a limited purpose regional school district to provide and
4 operate, in the territory comprised within such local districts or
5 district, one or more of the following: elementary schools, junior
6 high schools, high schools, vocational schools, special schools,
7 health facilities or particular educational services or facilities, that
8 board or boards shall by resolution frame and adopt a proposal to
9 that effect stating also the manner in which the amounts to be raised
10 for annual or special appropriations for such proposed regional
11 school district, including the amounts to be raised for interest upon,
12 and the redemption of bonds payable by the regional district, shall
13 be apportioned upon the basis of:
14 a. the portion of each municipality's equalized valuation
15 allocated to the regional district, calculated as described in the
16 definition of equalized valuation in section 3 of **[P.L.1990, c.52**
17 **(C.18A:7D-3)]** P.L.2007, c.260 (C.18A:7F-45);
18 b. the proportional number of pupils enrolled from each
19 municipality on the 15th day of October of the prebudget year in the
20 same manner as would apply if each municipality comprised
21 separate constituent school districts; or
22 c. any combination of apportionment based upon equalized
23 valuations pursuant to subsection a. of this section or pupil
24 enrollments pursuant to subsection b. of this section, and each such
25 board shall submit on the same day in each municipality in its
26 district at a special election or at the general election the question
27 whether or not the proposal shall be approved, briefly describing
28 the contents of the resolution and stating the date of its adoption
29 and they may submit also, at the special election, as part of such
30 proposal, any other provisions which may be submitted, at such a
31 special election, under the provisions of this chapter **[but no]** and
32 any such special election **[shall be held on any day before April 15**
33 **or after December 1 of any calendar year]** pursuant to the
34 provisions of this section shall be held pursuant to the provisions of
35 P.L.1995, c.278 (C.19:60-1 et seq.). Except as otherwise provided
36 herein, the special election shall be conducted in accordance with
37 the provisions of P.L.1995, c.278 (C.19:60-1 et al.).
38 (cf: P.L.2013, c.172, s.3)

39

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

41 18A:13-43. If the board of education of a regional district and
42 the board or boards of education of one or more local districts, and
43 the commissioner or his representative, after consultation, study and
44 investigation, shall determine that it is advisable to enlarge the
45 regional school district so as to include said local district or districts
46 therein, the board of education of the regional district and of each
47 such local district shall by resolution frame and adopt a proposal to

1 that effect and shall submit upon the same day, in such regional
2 district and in each such local school district, at a special school
3 election held pursuant to the provisions of P.L.1995, c.278
4 (C.19:60-1 et seq.) or at an election to be held on the third Tuesday
5 in April the question whether or not said proposal shall be approved
6 briefly describing the contents of said resolution and stating the
7 date of its adoption and they may submit also at such special
8 election as part of such proposal any other provision which may be
9 submitted at such a special election under the provisions of this
10 chapter.

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

12

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

15 4. a. Notwithstanding the provisions of P.L.2007, c.260
16 (C.18A:7F-43 et al.) or any other law to the contrary, in the 2019-
17 2020 through 2024-2025 school years, a school district or county
18 vocational school district in which the State aid differential
19 calculated is negative shall receive State school aid in an amount
20 equal to the sum of the district's State aid in the prior school year
21 plus the district's proportionate share of the sum of any increase in
22 State aid included in the annual appropriations act for that fiscal
23 year and the total State aid reduction pursuant to subsection b. of
24 this section based on the district's State aid differential as a percent
25 of the Statewide total State aid differential among all school
26 districts and county vocational school districts for which the State
27 aid differential is negative. Any increase in State aid pursuant to
28 this subsection shall first be allocated to equalization aid, followed
29 by special education categorical aid, security categorical aid, and
30 transportation aid, except that no category shall exceed the total
31 amount as calculated in accordance with the provisions of sections
32 11, 13, 14, and 15 of P.L.2007, c.260 (C.18A:7F-53, C.18A:7F-55,
33 C.18A:7F-56, and C.18A:7F-57), respectively.

34 b. Except as provided pursuant to subsection c. of this section,
35 and notwithstanding the provisions of P.L.2007, c.260 (C.18A:7F-
36 43 et al.) or any other law to the contrary, in the 2019-2020 through
37 2024-2025 school years, a school district or county vocational
38 school district in which the State aid differential is positive shall
39 receive State school aid in an amount equal to the district's State aid
40 in the prior school year minus a percent of the State aid differential
41 according to the following schedule:

- 42 (1) 13 percent in the 2019-2020 school year;
- 43 (2) 23 percent in the 2020-2021 school year;
- 44 (3) 37 percent in the 2021-2022 school year;
- 45 (4) 55 percent in the 2022-2023 school year;
- 46 (5) 76 percent in the 2023-2024 school year; and
- 47 (6) 100 percent in the 2024-2025 school year.

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

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

16 (3) A school district, other than an SDA district, that is located
17 in a municipality in which the equalized total tax rate is at least 10
18 percent greater than the Statewide average equalized total tax rate
19 for the most recent available calendar year and is spending at least
20 10 percent below adequacy as calculated pursuant to section 1 of
21 P.L.2018, c.67 (C.18A:7F-70) shall not be subject to a reduction in
22 State aid pursuant to subsection b. of this section.

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

- 33 (1) 30 percent in the 2021-2022 school year;
34 (2) 37 percent in the 2022-2023 school year;
35 (3) 46 percent in the 2023-2024 school year;
36 (4) 55 percent in the 2024-2025 school year;
37 (5) 65.5 percent in the 2025-2026 school year;
38 (6) 76 percent in the 2026-2027 school year;
39 (7) 88 percent in the 2027-2028 school year; and
40 (8) 100 percent in the 2028-2029 school year.

41 A school district with a State aid differential that is positive,
42 which is a participating district under an application that is
43 approved for a grant pursuant to subsection a. of section 4 of
44 P.L. , c. (C.) (pending before the Legislature as this bill) or
45 that receives preliminary approval under subsection b. of section 4
46 of P.L. , c. (C.) (pending before the Legislature as this bill)
47 but has not created or joined a limited purpose or all purpose
48 regional school district within two years following the grant

1 application approval or preliminary approval shall not be eligible to
2 receive State aid according to the schedule enumerated in this
3 paragraph.

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

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

18 (a) the amount of State school aid that the newly created
19 regional school district would receive as a regional school district;
20 or

21 (b) the sum of the amount of State school aid received by each
22 school district constituting the newly created regional school
23 district prior to the creation of such regional school district.

24 d. Any decrease in State aid pursuant to subsection b. or c. of
25 this section shall first be deducted from a school district's or county
26 vocational school district's allotment of adjustment aid. Any
27 additional reduction shall be deducted from the school district's or
28 county vocational school district's allotment of non-SFRA aids,
29 followed by equalization aid, special education categorical aid,
30 security aid, and transportation aid.

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

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

35

36 23. This act shall take effect immediately.