

# SENATE, No. 354

## STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Senator VIN GOPAL**

**District 11 (Monmouth)**

**Senator STEVEN V. OROHO**

**District 24 (Morris, Sussex and Warren)**

**Co-Sponsored by:**

**Senators Holzapfel, Doherty, Gill, Greenstein, O'Scanlon, Pou and Thompson**

**SYNOPSIS**

Establishes School Funding Formula Evaluation Task Force.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



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

3

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

6

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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5                               STATEMENT

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

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

- 22       • the manner in which school district adequacy budgets and  
23       local shares are calculated;  
24       • the current methodology of measuring and weighting at-risk  
25       students and students with limited English proficiency and  
26       the impact on the educational outcomes of those students;  
27       • the weights applied to students in different grade levels, as  
28       well as those applied to students enrolled in county  
29       vocational school districts;  
30       • the current methodology used to calculate the geographic  
31       cost adjustment;  
32       • the formula’s use of the census-based funding methodology  
33       for determining the amount of State aid a school district  
34       receives to educate its special education population and the  
35       effects of potentially employing different methodologies;  
36       • the provision of extraordinary special education aid and the  
37       cost thresholds used as the bases for reimbursement of  
38       extraordinary special education costs;  
39       • the methodologies used to calculate security categorical aid  
40       and transportation aid; and  
41       • the impact that the reallocation of State school aid pursuant  
42       to P.L.2018, c.67, commonly referred to as “S-2,” had on  
43       school districts’ finances.

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