

ASSEMBLY, No. 884

STATE OF NEW JERSEY

208th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 1998 SESSION

Sponsored by:

Assemblyman WILFREDO CARABALLO

District 28 (Essex)

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District 28 (Essex)

SYNOPSIS

Provides that special education pupil enrollment counts for calculation of State school aid be determined by averaging enrollments on a quarterly basis.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning State school aid for special education and amending
2 P.L.1990, c.52.

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

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7 1. Section 3 of P.L.1990, c.52 (C.18A:7D-3) is amended to read
8 as follows:

9 3. For the purposes of this act, unless the context clearly requires
10 a different meaning:

11 "Adjusted resident enrollment" means the average number of special
12 education services pupils who, on the last school day prior to October
13 16, December 15, March 1, and May 15 of the prebudget year, and
14 the number of all other pupils who, on the last school day prior to
15 October 16 of the prebudget year, are residents of the district and are
16 enrolled in: (1) the public schools of the district, except as a
17 post-graduate or evening school pupil; or (2) another school district
18 to which the district of residence pays tuition other than a county
19 vocational school district in the same county or county special services
20 school district; provided that a district shall count pupils in a
21 shared-time vocational program who are regularly attending both the
22 schools of the district and of a county vocational school district on an
23 equated full-time basis in accordance with procedures to be established
24 by the commissioner. For purposes of this section, resident enrollment
25 shall include, beginning in the 1992-93 school year and thereafter,
26 regardless of nonresidence, the enrolled children of teaching staff
27 members of the school district who are permitted, by contract or local
28 district policy, to enroll their children in the educational program of
29 the school district without payment of tuition.

30 For the purposes of notification of each district by the
31 commissioner, under section 21 of P.L.1990, c.52 (C.18A:7D-26), as
32 to the maximum amount of State aid for special education services
33 pupils payable to the district pursuant to the provisions of P.L.1990,
34 c.52 (C.18A:7D-1 et al.), the district's State aid entitlement shall be
35 calculated by using pupil enrollments on the last school day prior to
36 October 16 of the prebudget year. Adjustments in State school aid for
37 the budget year based upon the adjusted resident enrollment for the
38 prebudget year shall be made in the State school aid for the year
39 following the budget year. "Bilingual education pupil" means a pupil
40 enrolled in a program of bilingual education approved by the State
41 board.

42 "County vocational school, special education services pupil" means
43 a pupil who is attending a county vocational school and who is

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 receiving specific services pursuant to chapter 46 of Title 18A of the
2 New Jersey Statutes in special class programs when the pupil is
3 enrolled in a special class register.

4 "CPI" means the average annual increase, expressed as a decimal,
5 in the consumer price index for all urban consumers in the New York
6 City and Philadelphia areas during the three fiscal years preceding the
7 prebudget year as reported by the United States Department of Labor.

8 "Current expense" means all expenses of the school district, as
9 enumerated in N.J.S.18A:22-8, other than those required for interest
10 and debt redemption charges and any budgeted capital outlay.

11 "Debt service" means and includes payments of principal and
12 interest upon school bonds and other obligations issued to finance the
13 acquisition of school sites and the acquisition, construction or
14 reconstruction of school buildings, including furnishings, equipment
15 and the costs of issuance of such obligations and shall include
16 payments of principal and interest upon bonds heretofore issued to
17 fund or refund such obligations, and upon municipal bonds and other
18 obligations which the commissioner approves as having been issued for
19 such purposes. Debt service pursuant to the provisions of P.L.1978,
20 c.74 (C.18A:58-33.22 et seq.), P.L.1971, c.10 (C.18A:58-33.6 et seq.)
21 and P.L.1968, c.177 (C.18A:58-33.2 et seq.) is excluded.

22 "District income" means the aggregate income of the residents of
23 the taxing district or taxing districts, based upon data provided by the
24 Bureau of the Census in the United States Department of Commerce
25 for the most recent year prior to the budget year.

26 With respect to regional districts and their constituent districts,
27 however, the district income as described above shall be allocated
28 among the regional and constituent districts in proportion to the
29 number of pupils in each of them. For the 1991-92 school year,
30 regional and constituent pupils shall include pupils attending the
31 schools of a county vocational school or a county special services
32 school district. Part-time post-secondary vocational pupils are to be
33 excluded from this calculation.

34 "Equalized valuation" means the equalized valuation of the taxing
35 district or taxing districts as certified by the Director of the Division
36 of Taxation on October 1 of the prebudget year.

37 With respect to regional districts and their constituent districts,
38 however, the equalized valuations as described above shall be
39 allocated among the regional and constituent districts in proportion to
40 the number of pupils in each of them. For the 1991-92 school year,
41 regional and constituent pupils shall include pupils attending the
42 schools of a county vocational school or a county special services
43 school district. Part-time post-secondary vocational pupils are to be
44 excluded from this calculation. With respect to certain operating
45 school districts, other than school districts that received funds through
46 a municipal budget in 1989 as determined pursuant to column 1 (c) of

1 Section C of the Abstract of Ratables, that are composed of one or
2 more taxing districts, where 20% or more of the land area of the
3 taxing district is situated within the development district subject to an
4 intermunicipal tax sharing agreement pursuant to P.L.1968, c.404
5 (C.13:17-1 et seq.), the equalized valuation shall equal the product of
6 .70 and the amount of equalized valuation certified by the director.

7 "Evening school pupils" means the equated full-time resident
8 enrollment of pupils enrolled in a public evening school established
9 pursuant to N.J.S.18A:48-1.

10 "Local levy budget" means the sum of the foundation aid and
11 transition aid received by a school district and the district's local levy
12 for the general fund.

13 "Maximum Statewide foundation aid" shall be determined annually
14 by subtracting the total State aid payable pursuant to sections 14, 16,
15 80 and 81 of P.L.1990, c.52 (C.18A:7D-16, 18A:7D-18, 18A:7D-20
16 and 18A:7D-21) and sections 26, 29, 30 and 31 of P.L.1991, c.62
17 (C.18A:7D-21.1 et al.) from the maximum State school aid, by
18 subtracting the funds appropriated pursuant to section 38 of P.L.1991,
19 c.62 (C.18A:7D-28.2), and by adding any additional State aid which
20 results from the provisions of section 27 of P.L.1991, c.62.

21 "Maximum State school aid" shall be determined for the 1992-93
22 school year and annually thereafter by adding 80% of the increase in
23 the State school aid inflator and the maximum State school aid for the
24 prebudget year. However, beginning in the 1993-94 school year, the
25 Governor may increase the maximum State school aid to an amount
26 not to exceed the value of the State school aid inflator.

27 The State school aid inflator shall be determined for the 1992-93
28 school year and annually thereafter by multiplying the value of the
29 school aid inflator for the prebudget year by the sum of 1.01 and the
30 PCI. For the 1991-92 school year, the value of the school aid inflator
31 is \$4,250,000,000.

32 "Net budget" means the sum of the foundation aid received by a
33 school district and the State aid received pursuant to sections 14, 16,
34 25, 80, and 81 of P.L.1990, c.52 (C.18A:7D-16, 18A:7D-18,
35 18A:7D-33, 18A:7D-20, and 18A:7D-21) and sections 26 and 31 of
36 P.L.1991, c.62 (C.18A:7D-21.1 et al.) and the district's local levy for
37 the general fund. For a county special services school district, the net
38 budget shall also include tuition received by the district to provide
39 services pursuant to chapter 46 of Title 18A of the New Jersey
40 Statutes.

41 "Net debt service" means the balance after deducting all revenues
42 from the school debt service budget of the school district and the
43 school debt service amount included in the municipal budget, except
44 the amounts to be raised by local taxation and State aid.

45 "Postgraduate pupils" means pupils who have graduated from high
46 school and are enrolled in a secondary school for additional high

1 school level courses.

2 "Prebudget year" means the school year preceding the year in
3 which the school budget will be implemented.

4 "Pupils eligible for free meals or free milk" means those children who
5 have been determined to be eligible to receive a free meal or free milk
6 under the National School Lunch Act, 42 U.S.C. §1751 et seq., and
7 the Child Nutrition Act of 1966, 42 U.S.C. §1771 et seq., as of
8 October 15 of the prebudget year.

9 "PCI" means the average annual percentage increase, expressed as
10 a decimal, in State per capita personal income over the four fiscal
11 years ending on June 30 prior to the prebudget year. The per capita
12 personal income for each of the four years shall be the average of the
13 per capita personal income for the four quarters in each fiscal year
14 utilizing the quarterly data for State personal income and State
15 population as published by the United States Department of
16 Commerce.

17 "Resident enrollment" means the average number of special
18 education services pupils who, on the last school day prior to October
19 16, December 15, March 1, and May 15 of the prebudget year, and the
20 number of all other pupils who, on the last school day prior to October
21 16 of the prebudget year, are residents of the district and are enrolled
22 in: (1) the public schools of the district, including evening schools; (2)
23 another school district, other than a county vocational school district
24 in the same county or county special services school district on a
25 full-time basis, State college demonstration school or private school
26 to which the district of residence pays tuition; (3) a State facility; (4)
27 are receiving home instruction; or (5) are in a shared-time vocational
28 program and are regularly attending a school in the district and a
29 county vocational school district. Pupils in a shared-time vocational
30 program shall be counted on an equated full-time basis in accordance
31 with procedures to be established by the commissioner. For purposes
32 of this section, resident enrollment shall include, beginning in the
33 1992-93 school year and thereafter, regardless of nonresidence, the
34 enrolled children of teaching staff members of the school district who
35 are permitted, by contract or local district policy, to enroll their
36 children in the educational program of the school district without
37 payment of tuition.

38 Handicapped children between three and five years of age and
39 receiving programs and services pursuant to N.J.S.18A:46-6 shall be
40 included in the resident enrollment of the district.

41 "School district" means any local or regional school district
42 established pursuant to chapter 8 or chapter 13 of Title 18A of the
43 New Jersey Statutes and any county special services or county
44 vocational school districts established pursuant to chapter 46 or
45 chapter 54 of Title 18A of the New Jersey Statutes.

46 "Special education services pupil" means a pupil receiving specific

1 services pursuant to chapter 46 of Title 18A of the New Jersey
2 Statutes in special class programs when the pupil is enrolled in a
3 special class register.

4 "Special needs district" means any school district, other than a
5 school district in which the equalized valuation per pupil is more than
6 twice the average Statewide equalized valuation per pupil, which, as
7 of June 5, 1990: a. was classified by the Department of Education as
8 an urban school district and was included in the department's district
9 factor group A or B; or b. in which the quotient produced by dividing
10 the number of pupils eligible for AFDC by the resident enrollment, less
11 the number of preschool, evening school and post-graduate pupils, is
12 greater than or equal to 0.15 and the number of pupils eligible for
13 AFDC is greater than 1,000. For this calculation, pupils eligible for
14 AFDC means those children aged 5-17 and resident in the district who
15 are members of families which are eligible for "Aid to Families with
16 Dependent Children" pursuant to P.L.1959, c.86 (C.44:10-1 et seq.),
17 as of September 30 of the prebudget year.

18 "State facility" means a State residential facility for the retarded; a
19 day training center which is operated by or under contract with the
20 State and in which all the children have been placed by the State,
21 including a private school approved by the Department of Education
22 which is operated under contract with the Bureau of Special
23 Residential Services in the Division of Developmental Disabilities in
24 the Department of Human Services; a State residential youth center;
25 a State training school or correctional facility; a State child treatment
26 center or psychiatric hospital.

27 "Statewide average equalized school tax rate" means the amount
28 calculated by dividing the general fund tax levy for all school districts,
29 other than county vocational school and county special services school
30 districts, in the State for the prebudget year by the equalized
31 valuations of all taxing districts in the State except taxing districts for
32 which there are no school tax levies.

33 "Statewide equalized valuation" means the equalized valuation of
34 all taxing districts in the State as certified by the Director of the
35 Division of Taxation on October 1 of the prebudget year. In the event
36 that the equalized table certified by the Director of the Division of
37 Taxation shall be revised by the tax court after December 15 of the
38 prebudget year, the revised valuations shall be used in the
39 recomputation of aid for an individual school district filing an appeal,
40 but shall have no effect upon the calculation of the property value
41 multiplier.

42 "Total Statewide income" means the sum of the district incomes of
43 all taxing districts in the State.

44 (cf: P.L.1993, c.83, s.1)

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46 2. This act shall take effect immediately and shall first apply to

1 school aid for the 1996-97 school year.

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STATEMENT

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6 This bill addresses the problem which arises within school districts
7 when students who are determined to be eligible for special education
8 services transfer to a new school district after the completion of
9 enrollment counts on October 15. Because each school district's State
10 aid for the next school year is based on these enrollment counts, when
11 such a situation occurs, the school district to which the special
12 education student transfers is not receiving the State aid necessary to
13 finance the programs and services which are required under State and
14 federal law to be provided to special education students.

15 This bill provides that enrollment counts for special education
16 services pupils used in the calculation of State school aid will be
17 based upon the average of such pupils enrolled on the last school day
18 prior to October 16, December 15, March 1, and May 15 of the
19 prebudget year. The Commissioner of Education is directed to use the
20 October 15 enrollments in calculating each school district's anticipated
21 State aid entitlement for the purpose of preliminary aid notification.
22 State aid adjustments based upon the actual quarterly average
23 enrollments for the prebudget year will be made in State school aid for
24 the year following the budget year.