

CHAPTER 61

AN ACT increasing the number of districts designated as Abbott districts and amending P.L.1996, c.138 and P.L.1999, c.279.

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

1. Section 3 of P.L.1996, c.138 (C.18A:7F-3) is amended to read as follows:

C.18A:7F-3 Definitions relative to school funding.

3. As used in this act, unless the context clearly requires a different meaning:

"Abbott district" means one of the 28 urban districts in district factor groups A and B specifically identified in the appendix to Raymond Abbott, et al. v. Fred G. Burke, et al. decided by the New Jersey Supreme Court on June 5, 1990 (119 N.J.287, 394) or any other district classified as a special needs district under the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), or Salem City School District;

"Bilingual education pupil" means a pupil enrolled in a program of bilingual education or in an English as a second language program approved by the State Board of Education;

"Budgeted local share" means the sum of designated general fund balance, miscellaneous revenues estimated consistent with GAAP, and that portion of the district's local tax levy contained in the T&E budget certified for taxation purposes;

"Capital outlay" means capital outlay as defined in GAAP;

"Commissioner" means the Commissioner of Education;

"Concentration of low-income pupils" shall be based on prebudget year pupil data and means, for a school district or a county vocational school district, the number of low-income pupils among those counted in modified district enrollment, divided by modified district enrollment. For a school, it means the number of low-income pupils recorded in the registers at that school, divided by the total number of pupils recorded in the school's registers;

"CPI" means the average annual increase, expressed as a decimal, in the consumer price index for the New York City and Philadelphia areas during the fiscal year preceding the prebudget year as reported by the United States Department of Labor;

"County special services school district" means any entity established pursuant to article 8 of chapter 46 of Title 18A of the New Jersey Statutes;

"County vocational school district" means any entity established pursuant to article 3 of chapter 54 of Title 18A of the New Jersey Statutes;

"County vocational school, special education services pupil" means a pupil who is attending a county vocational school and who is receiving specific services pursuant to chapter 46 of Title 18A of the New Jersey Statutes;

"Debt service" means and includes payments of principal and interest upon school bonds and other obligations issued to finance the purchase or construction of school facilities, additions to school facilities, or the reconstruction, remodeling, alteration, modernization, renovation or repair of school facilities, including furnishings, equipment, architect fees and the costs of issuance of such obligations and shall include payments of principal and interest upon bonds heretofore issued to fund or refund such obligations, and upon municipal bonds and other obligations which the commissioner approves as having been issued for such purposes. Debt service pursuant to the provisions of P.L.1978, c.74 (C.18A:58-33.22 et seq.), P.L.1971, c.10 (C.18A:58-33.6 et seq.) and P.L.1968, c.177 (C.18A:58-33.2 et seq.) is excluded;

"District factor group A district" means a school district, other than an Abbott district or a school district in which the equalized valuation per pupil is more than twice the average Statewide equalized valuation per pupil and in which resident enrollment exceeds 2,000 pupils, which based on the 1990 federal census data is included within the Department of Education's district factor group A;

"District income" for the 1997-98 school year means the aggregate income of the residents of the taxing district or taxing districts, based upon data provided by the Bureau of the Census in the United States Department of Commerce for 1989. Beginning with the 1998-99 school year and thereafter, district income means the aggregate income of the residents of the taxing district or taxing districts, based upon data provided by the Division of Taxation in the New Jersey Department of the Treasury and contained on the New Jersey State Income Tax forms for the calendar year ending prior to the prebudget year. The commissioner may supplement data

contained on the State Income Tax forms with data available from other State or federal agencies in order to better correlate the data to that collected on the federal census. With respect to regional districts and their constituent districts, however, the district income as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils resident in each of them;

"Estimated minimum equalized tax rate" for a school district means the district's required local share divided by its equalized valuation; for the State it means the sum of the required local shares of all school districts in the State, excluding county vocational and county special services school districts as defined pursuant to this section, divided by the sum of the equalized valuations for all the school districts in the State except those for which there is no required local share;

"Equalized valuation" means the equalized valuation of the taxing district or taxing districts, as certified by the Director of the Division of Taxation on October 1, or subsequently revised by the tax court by January 15, of the prebudget year. With respect to regional districts and their constituent districts, however, the equalized valuations as described above shall be allocated among the regional and constituent districts in proportion to the number of pupils resident in each of them. In the event that the equalized table certified by the director shall be revised by the tax court after January 15 of the prebudget year, the revised valuations shall be used in the recomputation of aid for an individual school district filing an appeal, but shall have no effect upon the calculation of the property value multiplier, Statewide equalized valuation per pupil, estimated minimum equalized tax rate for the State, or Statewide average equalized school tax rate;

"GAAP" means the generally accepted accounting principles established by the Governmental Accounting Standards Board as prescribed by the State board pursuant to N.J.S.18A:4-14;

"Household income" means income as defined in 7CFR 245.2 and 245.6 or any subsequent superseding federal law or regulation;

"Lease purchase payment" means and includes payments of principal and interest for lease purchase agreements in excess of five years approved pursuant to subsection f. of N.J.S.18A:20-4.2 to finance the purchase or construction of school facilities, additions to school facilities, or the reconstruction, remodeling, alteration, modernization, renovation or repair of school facilities, including furnishings, equipment, architect fees and issuance costs. Approved lease purchase agreements in excess of five years shall be accorded the same accounting treatment as school bonds;

"Low-income pupils" means those pupils from households with a household income at or below the most recent federal poverty guidelines available on October 15 of the prebudget year multiplied by 1.30;

"Minimum permissible T&E budget" means the sum of a district's core curriculum standards aid, and required local share calculated pursuant to sections 5, 14 and 15 of this act;

"Modified district enrollment" means the number of pupils other than preschool pupils, evening school pupils, post-graduate pupils, and post-secondary vocational pupils who, on the last school day prior to October 16, are enrolled in the school district or county vocational school district; or are resident in the school district or county vocational school district and are: (1) receiving home instruction, (2) enrolled in an approved private school for the handicapped, (3) enrolled in a regional day school, (4) enrolled in a county special services school district, (5) enrolled in an educational services commission including an alternative high school program operated by an educational services commission, (6) enrolled in a State college demonstration school, (7) enrolled in the Marie H. Katzenbach School for the Deaf, or (8) enrolled in an alternative high school program in a county vocational school. Modified district enrollment shall be based on the prebudget year count for the determination of concentration of low-income pupils, and shall be projected to the current year and adjusted pursuant to section 5 of this act when used in the calculation of aid;

"Net budget" unless otherwise stated in this act, means the sum of the net T&E budget and the portion of the district's local levy that is above the district's maximum T&E budget;

"Net T&E budget" means the sum of the T&E program budget, early childhood program aid, demonstrably effective program aid, instructional supplement aid, transportation aid, and categorical program aid received pursuant to sections 19 through 22, 28, and 29 of this act;

"Prebudget year" means the school fiscal year preceding the year in which the school budget is implemented;

"Prebudget year equalized tax rate" means the amount calculated by dividing the district's general fund levy for the prebudget year by its equalized valuation certified in the year prior to the prebudget year;

"Prebudget year net budget" for the 1997-98 school year means the sum of the foundation aid, transition aid, transportation aid, special education aid, bilingual education aid, aid for at-risk pupils, technology aid, and county vocational program aid received by a school district or county vocational school district in the 1996-97 school year pursuant to P.L.1996, c.42, and the district's local levy for the general fund;

"Report on the Cost of Providing a Thorough and Efficient Education" or "Report" means the report issued by the Governor pursuant to section 4 of this act;

"Resident enrollment" means the number of pupils other than preschool pupils, post-graduate pupils, and post-secondary vocational pupils who, on the last school day prior to October 16 of the current school year, are residents of the district and are enrolled in: (1) the public schools of the district, excluding evening schools, (2) another school district, other than a county vocational school district in the same county on a full-time basis, or a State college demonstration school or private school to which the district of residence pays tuition, or (3) a State facility in which they are placed by the district; or are residents of the district and are: (1) receiving home instruction, or (2) in a shared-time vocational program and are regularly attending a school in the district and a county vocational school district. In addition, resident enrollment shall include the number of pupils who, on the last school day prior to October 16 of the prebudget year, are residents of the district and in a State facility in which they were placed by the State. Pupils in a shared-time vocational program shall be counted on an equated full-time basis in accordance with procedures to be established by the commissioner. Resident enrollment shall include regardless of nonresidence, the enrolled children of teaching staff members of the school district or county vocational school district who are permitted, by contract or local district policy, to enroll their children in the educational program of the school district or county vocational school district without payment of tuition. Handicapped children between three and five years of age and receiving programs and services pursuant to N.J.S.18A:46-6 shall be included in the resident enrollment of the district;

"School district" means any local or regional school district established pursuant to chapter 8 or chapter 13 of Title 18A of the New Jersey Statutes;

"School enrollment" means the number of pupils other than preschool pupils, evening school pupils, post-graduate pupils, and post-secondary vocational pupils who, on the last school day prior to October 16 of the current school year, are recorded in the registers of the school;

"Special education services pupils" means a pupil receiving specific services pursuant to chapter 46 of Title 18A of the New Jersey Statutes;

"Spending growth limitation" means the annual rate of growth permitted in the net budget of a school district, county vocational school district or county special services school district as measured between the net budget of the prebudget year and the net budget of the budget year as calculated pursuant to subsection d. of section 5 of this act;

"Stabilization aid growth limit" means 10% or the rate of growth in the district's projected resident enrollment over the prebudget year, whichever is greater. For the 1997-98 school year, this means 8% or one-half the rate of growth in the district's projected resident enrollment and preschool enrollment between the October 1991 enrollment report as contained on the district's Application for State School Aid for 1992-93 and the 1997-98 school year, whichever is greater. For the 1998-99 and 1999-2000 school years, this means the greatest of the following: 10%, one-half the district's rate of growth in projected resident enrollment and preschool enrollment over the October 1991 enrollment report as contained on the district's Application for State School Aid for 1992-93, or the district's projected rate of growth in resident enrollment over the prebudget year;

"State facility" means a State developmental center; a State Division of Youth and Family Services' residential center; a State residential mental health center; a DHS Regional Day School; a State training school/Secure care facility; a State juvenile community program; a juvenile

detention center or a boot camp under the supervisory authority of the Juvenile Justice Commission pursuant to P.L.1995, c.284 (C.52:17B-169 et seq.); or an institution operated by or under contract with the Department of Corrections or Human Services, or the Juvenile Justice Commission;

"Statewide average equalized school tax rate" means the amount calculated by dividing the general fund tax levy for all school districts, which excludes county vocational school districts and county special services school districts as defined pursuant to this section, in the State for the prebudget year by the equalized valuations certified in the year prior to the prebudget year of all taxing districts in the State except taxing districts for which there are no school tax levies;

"Statewide equalized valuation per pupil" means the equalized valuations of all taxing districts having resident enrollment in the State, divided by the resident enrollment for the State;

"T&E amount" means the cost per elementary pupil of delivering the core curriculum content standards and extracurricular and cocurricular activities necessary for a thorough regular education under the assumptions of reasonableness and efficiency contained in the Report on the Cost of Providing a Thorough and Efficient Education;

"T&E flexible amount" means the dollar amount which shall be applied to the T&E amount to determine the T&E range;

"T&E program budget" means the sum of core curriculum standards aid, supplemental core curriculum standards aid, stabilization aid, designated general fund balance, miscellaneous local general fund revenue and that portion of the district's local levy that supports the district's T&E budget;

"T&E range" means the range of regular education spending which shall be considered thorough and efficient. The range shall be expressed in terms of T&E budget spending per elementary pupil, and shall be delineated by alternatively adding to and subtracting from the T&E amount the T&E flexible amount;

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

2. Section 2 of P.L.1999, c.279 (C.34:15F-2) is amended to read as follows:

C.34:15F-2 Definitions relative to mentoring programs.

2. As used in this act:

"Abbott district" means an Abbott district as defined in section 3 of P.L.1996, c.138 (C.18A:7F-3);

"Commissioner" means the Commissioner of Labor and Workforce Development;

"Department" means the Department of Labor and Workforce Development;

"Educational foundation" means a nonprofit organization that may be created by or on behalf of a board of education or a nonprofit organization that has experience in the establishment of mentoring programs or the provision of services to at-risk youth;

"Joint committee" means the Joint Committee on Mentoring;

"Mentor" means a volunteer from the community who agrees to participate in a mentoring program; and

"Program" means the At-Risk Youth Mentoring Program established by this act.

3. This act shall take effect immediately and shall first apply to the 2004-2005 school year.

Approved June 30, 2004.