

## CHAPTER 122

AN ACT concerning State school aid for certain school districts which are bordered by Abbott districts and supplementing P.L.1996, c.138 (C.18A:7F-1 et seq.).

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

C.18A:7F-10.1 Additional State school aid for certain districts bordered by Abbott districts.

1. a. In addition to any State school aid to which a school district is entitled for the school year under P.L.1996, c.138 (C.18A:7F-1 et seq.) or any other law, a school district, other than a regional or consolidated school district, which is bordered by three or more Abbott districts shall receive additional State school aid if the district meets one or more of the following criteria:

(1) the district's per pupil cost in the prebudget year as reported in the Department of Education's Comparative Spending Guide was less than the average per pupil cost for the Abbott districts in the prebudget year as calculated based on data from the Comparative Spending Guide;

(2) the district had an average school student mobility rate of 10% or greater as reported in the most recent New Jersey School Report Card;

(3) 35% or more of the district's students were eligible for free or reduced price meals under the federal school lunch program;

(4) 15% or more of the numbers shown in the most recent New Jersey School Report Card data for class size by grade level, other than prekindergarten, and school for a district indicated an average class size of 30 or more students; and

(5) the per capita personal income of the residents of the school district was \$19,000 or less for the 2004-2005 school year based upon aggregate total income reported on the NJ-1040 for 2001 and all public assistance including Temporary Assistance to Needy Families for 2001. For each subsequent school year, the per capita personal income limit shall be increased by the CPI as defined in section 3 of P.L.1996, c.138 (C.18A:7F-3).

b. The additional State school aid to which a district is entitled pursuant to subsection a. of this section shall be calculated as follows:

Aid = (ADAPP - EDPP) x (1 + CPI) x RE x CF provided that Aid shall not be less than zero; and

where

ADAPP means the Abbott district average per pupil cost in the prebudget year as calculated based on data from the Department of Education's Comparative Spending Guide;

EDPP means the eligible district's per pupil cost in the prebudget year as reported in the Department of Education's Comparative Spending Guide;

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

RE means the eligible district's projected resident enrollment for the budget year; and

CF means the cost factor for the budget year which shall equal for the first budget year 23% for an eligible district that meets five of the criteria established pursuant to subsection a. of this section, 15% for an eligible district that meets four of those criteria, 11% for an eligible district that meets three of those criteria, 6.5% for an eligible district that meets two of those criteria, and 4% for an eligible district that meets one of those criteria.

In the calculation of additional State aid for subsequent budget years, CF shall be increased by adding 10% for each subsequent year.

c. The aid received by a school district pursuant to subsection b. of this section shall be adjusted pursuant to the procedures established in subsection a. of section 5 of P.L. 1996, c.138 (C.18A:7F-5) to reflect actual pupil counts as reported on the last school day prior to October 16 of the budget year and actual per pupil costs in the budget year as reported in the Department of Education's Comparative Spending Guide.

C.18A:7F-10.2 Conditions for aid for 2005-2006 school year; future eligibility.

2. Notwithstanding the provisions of section 1 of this act, for the 2005-2006 school year a school district which meets the requirements of subsection a. of that section shall not receive additional State aid pursuant to the provisions of subsection b. of that section unless the district received High Expectations for Learning Proficiency Aid in the 2004-2005 school year pursuant to the FY 2005 annual appropriations act. Such a district shall be eligible for additional State aid for subsequent school years if it meets the requirements of subsection a. of section 1 of this act.

3. This act shall take effect immediately and shall first apply to the 2005-2006 school year.

Approved July 2, 2005.