

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 10

STATE OF NEW JERSEY

DATED: MAY 12, 2008

The Assembly Education Committee favorably reports Assembly Bill No. 10.

This bill provides for a 10% reduction in the per pupil administrative costs of certain school districts below those of the 2008-2009 school year. The reduction will be phased in over a three-year period.

Under current law, a school district's per pupil administrative costs may equal the lower of the district's prior year per pupil administrative costs or the prior year per pupil administrative cost limits for the district's region inflated by the cost of living or 2.5 percent, whichever is greater. The bill provides that in the case of a school district with a 2008-2009 school year per pupil administrative cost limit calculated in accordance with the regional limits, the district must make an annual reduction in its per pupil administrative costs in such amount as to ensure that by the 2011-2012 school year the district's per pupil administrative costs will be no more than 90% of the 2008-2009 per pupil administrative cost limits for the district's region.

For the 2012-2013 school year and each school year thereafter, a school district's per pupil administrative costs may not exceed its prior year per pupil administrative costs. The bill does, however, maintain the authority of the commissioner to permit a school district to exceed its prior year per pupil administrative costs due to certain specified circumstances, such as an increase in nondiscretionary fixed costs.

The bill also directs each executive county superintendent of schools to file an annual report on the results of efforts to implement the new authorities delegated to him under the CORE legislation which became effective in April of 2007. The report would focus on issues associated with the promotion of administrative and operational efficiencies, the consolidation of school districts through the establishment or enlargement of regional districts, the coordination and regionalization of pupil transportation services, the promotion of in-district and shared services and programs for special education students, and other efforts to improve the operations and efficiencies of school districts within the county.

Finally, the bill provides that an executive county superintendent of schools must be appointed in any county in which the position is currently vacant. The appointment must be made within 30 days of

the bill's effective date. The bill also stipulates that subsequent vacancies in the position of executive county superintendent must be filled within 120 days of the vacancy.