

[First Reprint]

SENATE, No. 3173

STATE OF NEW JERSEY
214th LEGISLATURE

INTRODUCED DECEMBER 15, 2011

Sponsored by:

Senator DONALD NORCROSS

District 5 (Camden and Gloucester)

SYNOPSIS

“Urban Hope Act”; provides a process to permit authorized entities to build, operate, and manage “renaissance school projects” as public schools in no more than three indetified failing districts.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on January 5, 2012, with amendments.



1 AN ACT concerning the development of renaissance school projects
2 in failing school districts and supplementing Title 18A of the
3 New Jersey Statutes.

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

7
8 1. This act shall be known and may be cited as the “Urban
9 Hope Act.”

10
11 2. The Legislature finds and declares that:

12 a. Maintaining a thorough and efficient public school system is
13 among the Legislature’s most important responsibilities;

14 b. Although New Jersey’s per pupil public school expenditures
15 are among the highest in the nation, many of the State’s students are
16 failing to achieve the core curriculum content standards;

17 c. Many of those students are confined to a number of
18 persistently failing school districts and schools that, year after year,
19 have been unable to convert increased State aid and other resources
20 into improved student achievement, higher graduation rates, or
21 greater student readiness for postsecondary education and gainful
22 employment;

23 d. For those school districts and schools, it is necessary to
24 provide local boards of education, parents, students, and teachers
25 with more and better options for addressing their failing schools;
26 and

27 e. One such option is to ¹[create, on a limited pilot program
28 basis, “renaissance schools” which will be constructed, staffed and
29 operated by nonprofit entities, including existing charter schools,
30 in] allow a small number of¹ school districts with high
31 concentrations of at-risk students ¹to, on a limited pilot program
32 basis, partner with one or more nonprofit entities to create
33 “renaissance schools.” While creation of these schools is voluntary,
34 it is the hope of the Legislature that the districts will find suitable
35 nonprofit partners and establish one or more renaissance schools
36 dedicated to providing New Jersey’s students with the educators,
37 facilities, and resources to prepare them for college and career¹.

38
39 3. As used in this act:

40 “Commissioner” means the Commissioner of Education.

41 “Failing district” means: ¹in accordance with data from the
42 Statewide assessment reports issued by the Department of
43 Education¹ (1) in the case of a school district located in a city of the
44 first class, a school district in which at least ¹[30%] 40%¹ of the

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted January 5, 2012.

1 students scored in the partially proficient range in the language arts
2 and mathematics sections of each State assessment administered in
3 the 2009-2010 school year; and (2) in the case of a school district
4 located in a city of the second class, a school district in which at
5 least '[55%] 45%' of the students scored in the partially proficient
6 range in the language arts and mathematics sections of each State
7 assessment administered in the 2009-2010 school year.

8 "Per pupil expenditure" means the sum of the budget year
9 equalization aid per pupil, budget year adjustment aid per pupil, and
10 the prebudget year general fund tax levy per pupil inflated by the
11 CPI rate most recent to the calculation.

12 "School facility" means and includes any structure, building, or
13 facility used wholly or in part for educational purposes by the
14 students of a school district.

15 '["School facilities project" means the planning, acquisition,
16 demolition, new construction, improvement, or capital maintenance
17 of all or any part of one or more school facilities constituting a
18 renaissance school project.】'

19 "Renaissance school district" is a failing district in which
20 renaissance school projects shall be established.

21 "Renaissance school project" means a 'newly-constructed'
22 school, or group of schools in a common campus setting, that
23 provides an educational program for students enrolled in grades K
24 through 12 or in a grade range less than K through 12, that is agreed
25 to by the school district, and is operated and managed by a
26 nonprofit entity '【, including an approved charter school,】' in a
27 renaissance school district.

28
29 4. a. A nonprofit entity, in partnership with the renaissance
30 school district, may submit to the commissioner an application to
31 create a renaissance school project 'no later than three years
32 following the effective date of this act'. A nonprofit entity seeking
33 to create a renaissance school project shall have experience in
34 operating a school in a high-risk, low-income urban district. 'In
35 addition, an entity retained by the nonprofit entity for the purpose
36 of financing or constructing the renaissance school project shall
37 also have appropriate experience.'

38 b. The application shall be in a form prescribed by the
39 commissioner, but at a minimum it shall contain the following:

40 (1) 'except as otherwise provided in this paragraph,' a resolution
41 adopted in a public meeting by the board of education of the
42 renaissance school district in which the renaissance school project
43 will be located certifying the support of the board for the
44 application '. In the case of a district under full or partial State
45 intervention with an advisory board of education, the application
46 shall contain evidence that that State district superintendent or
47 superintendent, as applicable, convened at least three public

- 1 meetings to discuss the merits of the renaissance school project.
2 The evidence shall include, at a minimum, any written public
3 comments received during those meetings. In the case of these
4 districts, the application shall contain a resolution from the advisory
5 board of education reflecting the board's approval or disapproval of
6 the renaissance school project. While a successful application does
7 not require approval from the advisory board of education, the
8 commissioner, in considering the application, shall give due
9 consideration to any disapproval from the advisory board¹;
- 10 (2) ¹[a resolution adopted by the board of education of the
11 renaissance school district amending the district's long-range
12 facilities plan to include the proposed renaissance school project,
13 and the] a copy of the¹ amendment 'to the renaissance school
14 district's long-range facilities plan¹ which has been submitted to the
15 commissioner pursuant to section 4 of P.L.2000, c.72 (C.18A:7G-4)
16 'that includes the proposed renaissance school project¹;
- 17 (3) the educational goals of the renaissance school project, the
18 curriculum to be offered, and the methods of assessing whether
19 students are meeting the proffered educational goals;
- 20 (4) any testing and academic performance standards to be
21 mandated by the renaissance school project beyond those required
22 by State law and regulation;
- 23 (5) the admission policy and criteria for evaluating the
24 admission of students to the renaissance school project, which shall
25 comply with the provisions of section 8 of this act;
- 26 (6) the age or grade range of students to be enrolled in the
27 renaissance school project;
- 28 (7) the total number of students to be enrolled in each grade
29 level of the renaissance school project;
- 30 (8) the renaissance school project calendar and school day
31 schedule;
- 32 (9) the financial plan for the renaissance school project and the
33 provisions that will be made for auditing pursuant to N.J.S.18A:23-
34 1;
- 35 (10) a description of, and address for, the school facility or
36 facilities in which the renaissance school project will be located;
- 37 (11) documentation that the proposed renaissance school
38 project meets the facilities efficiency standards developed by the
39 commissioner pursuant to subsection h. of section 4 of P.L.2000,
40 c.72 (C.18A:7G-4), and any school facility regulations promulgated
41 by the State Board of Education or the Department of Community
42 Affairs;
- 43 (12) documentation of the funds available to construct the
44 renaissance school project, including the terms of any financing
45 secured for such purpose;
- 46 (13) if the renaissance school project includes the acquisition of
47 land, the application shall include, at a minimum: (a) a description

1 of the land to be acquired; (b) the costs of acquisition; (c) the
2 timetable for acquisition; and (d) the plan for financing the
3 acquisition;

4 (14) identification of the attendance area of the renaissance
5 school project, if the renaissance school project will not be built on
6 land owned by the New Jersey Schools Development Authority or
7 the renaissance school district; **'[and]'**

8 (15) 'a description of the process employed by the renaissance
9 school district to find and partner with the chosen nonprofit entity
10 to create a renaissance school project. The description shall be
11 sufficient to show that the process employed by the renaissance
12 school district was open, fair, and subject to public input and
13 comment. The description shall, at a minimum, include any
14 requests for proposals issued by the renaissance school district, the
15 number of responses received, and the process and criteria
16 employed by the renaissance school district to select the chosen
17 nonprofit entity among the respondents; and

18 (16)' such other information as the commissioner may require.
19

20 5. The commissioner may not approve more than four
21 renaissance school projects in any one renaissance school district.
22 Nothing in this act shall prohibit a renaissance school project that
23 provides an educational program for a grade range less than K
24 through 12 from expanding grade levels after the approval by the
25 commissioner of the initial application.

26 In reviewing and judging applications for renaissance school
27 projects, the factors considered by the commissioner may include,
28 but not be limited to:

29 a. The likelihood that the renaissance school project will
30 improve academic achievement in the renaissance school district;

31 b. The strength of the support for the renaissance school project
32 from the school district, board of education, and parents;

33 c. The facilities plan for the renaissance school project;

34 d. **'[Geographic diversity and diversity] Diversity'** of school
35 type, elementary school, middle school, and high school, among the
36 proposed renaissance school projects; and

37 e. Any other factors deemed significant by the commissioner.
38

39 6. **'a.'** The nonprofit entity and the **'[board of education of**
40 **the]'** renaissance school district in which the renaissance school
41 project will be located shall enter into a contract setting forth the
42 terms and conditions for the renaissance school project including,
43 but not limited to, the operation, management, and funding of the
44 renaissance school project. The contract shall be submitted to the
45 commissioner for approval.

46 **'b.** The nonprofit entity shall file with the commissioner an
47 organizational document for the renaissance school project setting

1 forth: the name of the renaissance school project, the grade levels of
2 the school, the location of the school, and the total enrollment of the
3 school; the mission statement for the renaissance school project; the
4 curriculum for the renaissance school project; the length of the
5 renaissance school project school day and school year; and such
6 other information as the commissioner may require.¹

7
8 7. a. Notwithstanding that a renaissance school project shall be
9 constructed, controlled, operated, and managed by a nonprofit
10 entity, and not the local board of education, it shall be a public
11 school. However nothing contained herein shall restrict a for-profit
12 entity from constructing a renaissance school project, or a
13 renaissance school project from being located on land owned by a
14 for-profit entity. Further, the renaissance school project shall be
15 authorized to retain any business entity, however formed, whose
16 primary purpose is the staffing, operation, and management of
17 elementary schools, middle schools, or high schools in the United
18 States, except as it relates to instructional services.

19 b. The costs of a renaissance school project including, but not
20 limited to, the costs of land acquisition, site remediation, site
21 development, design, construction, and any other costs required to
22 place into service the school facility or facilities constituting the
23 renaissance school project shall be at the sole expense of the
24 nonprofit entity. The nonprofit entity may use State funds to pay
25 for a lease, debt service, or mortgage for any facility constructed or
26 otherwise acquired.

27 c. Notwithstanding the provisions of the "Educational
28 Facilities Construction and Financing Act," P.L.2000, c.72
29 (C.18A:7G-1 et al.), or any other law or regulation to the contrary,
30 there shall be no State share for the costs of a renaissance school
31 project.

32 d. Notwithstanding the provisions of the "Public School
33 Contracts Law," P.L.1977, c.114 (C.18A:18A-1 et seq.), or any
34 other law or regulation to the contrary, the nonprofit entity or any
35 entity acting in cooperation with a renaissance school project shall
36 not be subject to public bidding for goods and services, and any
37 contracts entered into by the nonprofit entity shall not be deemed
38 public contracts or public works; except that any contract entered
39 into by the nonprofit entity or any entity acting in cooperation with
40 a renaissance school project shall be deemed a public work for the
41 purposes of the "New Jersey Prevailing Wage Act," P.L.1963, c.150
42 (C.34:11-56.25 et seq.), and subject to the applicable provisions of
43 that act.

44 e. The renaissance school district in which a renaissance school
45 project is located shall pay to the nonprofit entity in 12 equal
46 monthly installments an amount per pupil equal to 95% of the
47 district's per pupil expenditure. In addition the 12 monthly
48 installments shall include the security categorical aid attributable to

1 the student, a percentage of the district's special education
2 categorical aid equal to the percentage of the district's special
3 education students enrolled in the renaissance school project, and if
4 applicable 100% of preschool education aid. The district shall also
5 pay directly to the renaissance school project any federal funds
6 attributable to the student.

7 f. Renaissance school projects shall be required to meet the
8 same testing and academic performance standards established by
9 law and regulation for public school students, and shall meet any
10 additional testing and academic performance standards established
11 by the nonprofit entity and approved by the commissioner.

12 g. The nonprofit entity shall have complete discretion in
13 naming the renaissance school project. The nonprofit entity may
14 not realize a net profit from its operation of a renaissance school
15 project. A private or parochial school shall not be eligible for
16 renaissance school project status.

17 h. A nonprofit entity shall operate a renaissance school project
18 in accordance with the contract entered into pursuant to section 6 of
19 this act, the provisions of this act, and the laws and regulations that
20 govern other public schools which are not inconsistent with this act.

21

22 8. a. In the case of a renaissance school project built on land
23 owned by the New Jersey Schools Development Authority or the
24 renaissance school district, students residing in the attendance area
25 established by the renaissance school district for that property shall
26 be automatically enrolled in the renaissance school project. The
27 parent or guardian of the student may determine not to enroll the
28 student in the renaissance school project, and in that case the
29 student shall be eligible for enrollment in another school in the
30 renaissance school district. If spaces remain available in the
31 renaissance school project, students shall be selected for the
32 remaining spaces through a lottery system. The first lottery shall
33 include students who attend a public school in the renaissance
34 school district but reside outside the attendance area of the
35 renaissance school. If space remains available, a second lottery
36 shall be conducted that may include students who reside outside of
37 the renaissance school district.

38 b. In the case of a renaissance school project which is not built
39 on land owned by the New Jersey Schools Development Authority
40 or the renaissance school district, preference for enrollment in the
41 renaissance school project shall be given to students who reside in
42 the attendance area identified in the application submitted by the
43 nonprofit entity and approved by the commissioner for the
44 renaissance school project. In no case may an attendance area
45 include an area outside of the renaissance school district. If spaces
46 remain available in the renaissance school project, then the
47 renaissance school project may select students for the remaining
48 spaces through a lottery system.

1 In developing and executing its selection process, the nonprofit
2 entity shall not discriminate on the basis of intellectual or athletic
3 ability, measures of achievement or aptitude, status as a
4 handicapped person, proficiency in the English language, or any
5 other basis that would be illegal if used by a school district. A
6 nonprofit entity may, however, limit admission to a particular grade
7 level or levels consistent with its organizational document.

8
9 9. a. The employees of a renaissance school project shall not
10 be deemed to be members of the bargaining unit of the renaissance
11 school district.

12 b. In hiring its employees for a renaissance school project, a
13 nonprofit entity shall be subject to the provisions of the "New
14 Jersey Employer-Employee Relations Act," P.L.1941, c.100
15 (C.34:13A-1 et seq.). A nonprofit entity shall not set a teacher
16 salary lower than the minimum teacher salary specified pursuant to
17 section 7 of P.L.1985, c.321 (C.18A:29-5.6).

18 c. All principals, administrators, classroom teachers, and
19 professional support staff hired by a nonprofit entity to work in a
20 renaissance school project shall hold appropriate New Jersey
21 certifications and shall possess all the tenure rights as employees of
22 a board of education of a school district as provided in Title 18A
23 and other laws and regulations.

24
25 10. a. The renaissance school project shall be authorized for 10
26 years from the date of opening, subject to periodic reviews by the
27 commissioner. The renaissance school project shall be
28 automatically renewed for additional five year periods provided
29 there is not a breach of the agreement that outlines the terms and
30 conditions of the renaissance school project.

31 Every ten years, '[prior to granting a renewal,]' the
32 commissioner shall conduct a comprehensive review of the
33 renaissance school project 'prior to granting a renewal'. Renewal
34 'at these 10-year intervals' shall be presumed 'where' provided
35 'there is not a breach of the agreement that outlines the terms and
36 'conditions of the renaissance school project and' the renaissance
37 school project's average percent of students proficient on the New
38 Jersey Assessment of Skills and Knowledge, if the school includes
39 any grades from three to eight, or on the New Jersey High School
40 Proficiency Assessment, if the school includes grades 11 and 12,
41 exceed the average percent of students proficient for the renaissance
42 school district in which it is located in like grades by 15 percent or
43 more in language arts literacy, mathematics, or both after five years,
44 and 25 percent or more in language arts literacy, mathematics, or
45 both after ten years, or achieves the State-level proficiency
46 standards during that period.

47 b. The commissioner shall periodically assess whether each
48 renaissance school project is meeting its goals and improving

1 student achievement. In order to facilitate the commissioner's
2 review, each renaissance school project shall submit an annual
3 report to the commissioner in the form prescribed by the
4 commissioner. The report shall be received annually by August 1
5 and shall be made publicly available immediately thereafter,
6 including on the Department of Education's website.

7 c. The commissioner shall have on-going access to the records
8 and facilities of the renaissance school project and the nonprofit
9 entity to ensure that the renaissance school project is in compliance
10 with its organizational document and with State laws and
11 regulations.

12 d. Five years following the date of the opening of the '[first]
13 third' renaissance school project, 'or ten years after the opening of
14 the first renaissance school project, whichever occurs first,' a
15 review of the efficacy of the program shall be conducted by an
16 independent education researcher or research organization selected
17 by the commissioner '[, with the approval of the State Board of
18 Education]'. The independent review shall be funded by the
19 Department of Education. The review shall include interviews with
20 staff, parents, and resident district representatives, and a fiscal and
21 educational assessment. The commissioner shall report the results
22 of the review to the Governor, the State Board of Education, and to
23 the Legislature as provided pursuant to section 2 of P.L.1991, c.164
24 (C.52:14-19.1), and, in addition, the Governor shall report on the
25 efficacy of the renaissance school projects in educating students and
26 whether additional renaissance school districts should be authorized
27 and, if so, how many. The commissioner shall also recommend any
28 changes to this act deemed appropriate based on experience with the
29 renaissance school projects and the independent review.

30
31 11. a. Notwithstanding the provisions of the "Educational
32 Facilities Construction and Financing Act," P.L.2000, c.72
33 (C.18A:7G-1 et al.), or any other law or regulation to the contrary,
34 when an entity seeks to build a renaissance school project on land
35 owned by the New Jersey Schools Development Authority, the
36 authority may convey the land by ground lease or fee simple title to
37 either the renaissance school district or the entity if the authority
38 determines conveyance to be in the best interests of the State,
39 provided that such conveyance, whether by ground lease or fee
40 simple title shall (1) contain a restriction that the land be used
41 solely for a school or it shall revert to the authority; and (2) be for
42 such consideration and on such terms as the authority determines to
43 be in the best interests of the State.

44 b. Notwithstanding any other law to the contrary, in the event
45 of a conveyance by the authority to a renaissance school district
46 pursuant to this section, the renaissance school district is authorized
47 to enter into a sub-lease of the property to the entity as required to

1 effectuate the renaissance school project. The sub-lease shall be
2 submitted to the commissioner for his review and approval. The
3 sub-lease shall contain a restriction that the land be used solely for
4 the renaissance school project or it shall revert to the school district.
5

6 12. Whenever any board of education shall by resolution
7 determine that any tract of land is no longer desirable or necessary
8 for school purposes it may authorize the conveyance thereof, for a
9 nominal consideration, to a renaissance school project established
10 pursuant to P.L. , c. (C.) (pending before the Legislature as this
11 bill). The president and secretary of the board shall be authorized
12 to execute and deliver a conveyance for the same in the name and
13 under the seal of the board, which conveyance shall be subject to a
14 condition providing that the land shall be used by the renaissance
15 school project for school purposes, and in the event that the
16 property shall cease to be used for those purposes, the property shall
17 thereupon revert to and the title thereof shall vest in the board of
18 education making the conveyance thereof hereunder.
19

20 '13. a. Notwithstanding the provisions of N.J.S.18A:24-10 or
21 any other section of law to the contrary, under the pilot program the
22 board of education of a Type II school district without a board of
23 school estimate may issue bonds without the approval of the voters
24 of the district in order to finance the construction of a renaissance
25 school project. In the case of a Type I district or a Type II district
26 with a board of school estimate, notwithstanding the provisions of
27 N.J.S.18A:24-11, N.J.S.18A:24-12, or any other section of law to
28 the contrary, such bonds may be issued by the municipality without
29 the approval of the board of school estimate or the adoption of a
30 municipal ordinance as applicable. In the case of a school district
31 under full State intervention or partial State intervention in which
32 the governance component of school district effectiveness has not
33 been returned to the district, notwithstanding the provisions of
34 P.L.1991, c.139 (C.18A:7A-46.1 et seq.) or any other section of law
35 to the contrary, such bonds may be issued without the approval of
36 the capital projects review board.

37 The issuance of the bonds shall be approved by the board of
38 education of the renaissance school district, or the State district
39 superintendent in the case of a school district under full State
40 intervention or partial State intervention in which the governance
41 component has not been returned to the district. The approval shall
42 be evidenced by the adoption of a resolution by the board of
43 education in a public meeting upon an affirmative vote of two-
44 thirds of its full membership certifying the support of the board for
45 the issuance of the bonds, or if the school district is under full or
46 partial State intervention and the governance component has not
47 been returned to the district, a certification, affidavit, or other sworn

1 statement signed by the State district superintendent supporting the
2 issuance.

3 b. Notwithstanding the provisions of any other law to the
4 contrary, a county or county improvement authority may issue
5 bonds in order to finance the construction of a renaissance school
6 project.

7 c. Notwithstanding the provisions of N.J.S.18A:22-20,
8 N.J.S.18A:22-30, or any other section of law to the contrary, the
9 principal and interest payments on the bonds issued pursuant to this
10 section shall be paid by the board of trustees of the renaissance
11 school. The board of education, the State district superintendent,
12 the municipality, the county, or the county improvement authority,
13 as applicable, shall enter into an agreement with the board of
14 trustees of the renaissance school for the payment of the principal
15 and interest. The agreement shall include the total amount of
16 bonded indebtedness to be repaid, the schedule of required debt
17 service payments, and the amount of each individual payment. The
18 commissioner shall approve any agreement entered into pursuant to
19 this section prior to the issuance of the bonds.

20 d. Bonds issued by a school district, municipality, or county to
21 finance a renaissance school project pursuant to this section, shall
22 be entitled to the benefits of the "New Jersey School Bond Reserve
23 Act," P.L.1980, c.72 (C.18A:56-17 et seq.).

24 e. The provisions of P.L.1969, c.130 (C.18A:24-61.1 et seq.)
25 shall be applicable to bonds issued pursuant to this section.

26 f. In the event the authorization to operate a renaissance school
27 project is terminated or expires for any reason, title to the
28 renaissance school project shall revert to the board of education of
29 the renaissance school district and any bonds issued to finance the
30 project shall be eligible for State debt service aid.】¹

31

32 '【14.】 13.¹ The Commissioner of Education, pursuant to the
33 "Administrative Procedures Act," P.L.1968, c.410 (C.52:14B-1 et
34 seq.) shall adopt regulations to effectuate the purposes of this act;
35 except that, notwithstanding any provision of P.L.1968, c.410
36 (C.52:14B-1 et seq.), to the contrary, the commissioner may adopt,
37 immediately upon filing with the Office of Administrative Law,
38 such regulations as the commissioner deems necessary to
39 implement the provisions of this act, which regulations shall be
40 effective for a period not to exceed 12 months and may, thereafter,
41 be amended, adopted, or readopted by the commissioner in
42 accordance with the requirements of P.L.1968, c.410 (C.52:14B-1
43 et seq.).

44

45 '【15.】 14.¹ This act shall take effect immediately.