

**CHAPTER 6****DEPARTMENT OF EDUCATION  
BUDGET HEARINGS****Authority**

N.J.S.A. 52:14F-5(e), (f) and (g).

**Source and Effective Date**

R.1992 d.213, effective April 21, 1992.  
See: 24 N.J.R. 321(a), 24 N.J.R. 1873(b).

**Executive Order No. 66(1978) Expiration Date**

Chapter 6, Department of Education Budget Hearings, expires on April 21, 1997.

**Chapter Historical Note**

Chapter 6 formerly contained rules concerning the "Sale of Motor Gasoline," adopted by the State Energy Office pursuant to P.L. 1974, c.2, as R.1974 d.33, effective February 11, 1974. See: 6 N.J.R. 94(a). An administrative order suspending the "alternate day purchase program" was adopted as R.1974 d.75, effective April 1, 1974. See: 6 N.J.R. 162(a). Concurrently, the chapter was revised by R.1974 d.86, effective April 1, 1974. See: 6 N.J.R. 162(b). P.L. 1974, c.2, expired on June 30, 1975, thereby terminating the application of the gasoline sales rules.

Chapter 6, Department of Education Budget Hearings, was adopted as R.1986 d.342, effective August 18, 1986. See: 18 N.J.R. 1020(b), 18 N.J.R. 1699(b). Chapter 6 was repealed by R.1987 d.200 and new rules were adopted, effective May 4, 1987 but operative July 1, 1987. See: 18 N.J.R. 728(a), 18 N.J.R. 1728(a), 19 N.J.R. 715(a). Pursuant to Executive Order No. 66(1978), Chapter 6 was readopted as R.1992 d.213. See: Source and Effective Date.

See section annotations for specific rulemaking activity.

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The rules in this chapter shall apply to any hearings concerning appeals by district boards of education of a governing body's decision to reduce a school budget, pursuant to N.J.S.A. 18A:6-9 and N.J.A.C. 6:24-7.1 et seq. Any aspect of the hearing not covered by these special hearing rules shall be governed by the Uniform Administrative Procedure Rules (U.A.P.R.) contained in N.J.A.C. 1:1. To the extent that these rules are inconsistent with the U.A.P.R., these rules shall apply.

**SUBCHAPTERS 2 THROUGH 7. (RESERVED)****SUBCHAPTER 8. TRANSMISSION OF CASES TO  
THE OFFICE OF ADMINISTRATIVE LAW****1:6-8.1 Transmission of cases; material to be submitted**

When a case is transmitted to the Office of Administrative Law, as provided by N.J.A.C. 6:24-7.8(a)7, the Commissioner of Education shall forward along with the transmittal form any material submitted by the district board of education or board of school estimate or any decisions by the Commissioner relating to any request for a cap waiver by the district board.

Amended by R.1992 d.213, effective May 18, 1992.  
See: 24 N.J.R. 321(a), 24 N.J.R. 1873(b).  
Revised text.

**SUBCHAPTER 9. (RESERVED)****SUBCHAPTER 10. DISCOVERY****1:6-10.1 Discovery; exchange of documents**

(a) Unless already provided to the Department of Education as part of the pleadings in the case within 10 days of receipt of notice of filing of the contested case before the Office of Administrative Law, the governing body shall forward to the Clerk of the Office of Administrative Law a copy of the information which was given to the district board of education when the reduction was made, including the following documents;

1. If changes were made to the operating budget, a copy of the line item budget detailing the specific reductions that were effectuated by the governing body; a copy of the statement of supporting reasons for each of these reductions; and a certification stating the date on which these documents were originally given to the district board of education;

2. If changes were made to the capital budget, a copy of the capital budget; a copy of the statement of supporting reasons for each change; and a certification stating the date on which such documents were originally given to the board of education.

(b) Unless already provided to the Department of Education as part of the pleadings in the case, within 20 days of receipt of notice of filing of the contested case, the district board of education shall forward a copy to the governing body and two copies to the Clerk of the Office of Administrative Law of each of the following:

1. A complete line item budget listing each item by code and line description, including actual expenditures for the previous school year, actual budgeted amount for the current school year, proposed budgeted amount for the next school year (as submitted to the voters), amount reduced by the governing body and revised budgeted amount for the next school year. This budget should be accompanied by written testimony, approved by the district board of education, as to why each of the amounts in dispute is necessary to provide a "thorough and efficient" system of education;

2. Staff, numbers of professional and nonprofessional, during the current school year and projected staff for the next school year, with reasons for increase or decrease;

3. Pupil enrollment by grade for the district as of June 30, preceding; September 30 preceding; and that projected for September of the next school year;

4. Salary schedules for all employees;

5. Number of schools and classrooms in each;

6. Costs for non-aided transportation for the previous school year and projected for the current school year and the next school year;

7. Tuition received or paid during the previous school year and anticipated for the current school year and the next school year;

8. Advertised budget for the next school year;

9. If a capital budget is in dispute, a substantiation for each proposed capital project.

(c) The governing body and the district board shall submit their statements of supporting reasons in the form of written testimony, verified by each and accompanied by a certified copy of each official document to the judge assigned to hear the case not less than 10 days before the hearing.

(d) All other discovery shall be on motion for good cause shown.

Amended by R.1988 d.516, effective November 7, 1988.

See: 20 N.J.R. 1980(a), 20 N.J.R. 2749(b).

Changed "hearing" to "filing of the contested case". Substituted "Clerk of the Office of Administrative Law" for "judge assigned to hear the case" and added text in (a) before the Office of Administrative Law.

Amended by R.1992 d.213, effective May 18, 1992.

See: 24 N.J.R. 321(a), 24 N.J.R. 1873(b).

Revised (a) and (b).

#### Case Notes

Reasons for reductions of local school board budget must be stated. Board of Educ. of the Tp. of Deptford v. Mayor and Council of the Tp. of Deptford, Gloucester County, 116 N.J. 305, 561 A.2d 589 (1989).

Commissioner of Education improperly dismissed municipality's answer to school board's appeal of municipality's reduction in school board budget. Board of Educ. of the Tp. of Deptford v. Mayor and Council of the Tp. of Deptford, Gloucester County, 116 N.J. 305, 561 A.2d 589 (1989).

Submission of reasons is not absolute condition to municipality's defense to appeal by school board of budget reduction. Board of Educ. of the Tp. of Deptford v. Mayor and Council of the Tp. of Deptford, Gloucester County, 116 N.J. 305, 561 A.2d 589 (1989).

SUBCHAPTERS 11 THROUGH 21. (RESERVED)