EDU #4320-95 C # 530-96 SB # 95-96

BOARD OF EDUCATION OF THE TOWNSHIP OF LOGAN, GLOUCESTER COUNTY,

PETITIONER-RESPONDENT, : STATE BOARD OF EDUCATION

V. : DECISION ON MOTION

BOARD OF EDUCATION OF THE BOROUGH OF PAULSBORO, GLOUCESTER COUNTY,

RESPONDENT-APPELLANT. :

Decided by the Commissioner of Education, November 29, 1996

Decision on motion by the Commissioner of Education, January 14, 1997

For the Petitioner-Respondent, Zane & Lozuke (Raymond J. Zane, Esq., of Counsel)

For the Respondent-Appellant, Dilworth, Paxson, Kalish & Kauffman (Suzette D. Bonfiglio, Esq., of Counsel)

The Board of Education of the Borough of Paulsboro (hereinafter "Paulsboro") seeks a stay of the Commissioner of Education's decision of November 29, 1996 in this matter. In his decision, the Commissioner concurred with the findings and conclusion of the Administrative Law Judge (ALJ) that termination of the sending-receiving relationship between Paulsboro and the Board of Education of the Township of Logan (hereinafter "Logan") would not result in any substantial negative impact with respect to

the educational and financial implications for the districts involved, or on the quality of education and the racial composition of the affected districts. Accordingly, the Commissioner adopted the ALJ's determination granting severance of the relationship pursuant to N.J.S.A. 18A:38-13. By letter decision dated January 14, 1997, the Commissioner denied Paulsboro's motion for a stay of that decision.

In support of its motion to the State Board, Paulsboro contends that it will suffer irreparable harm as a result of the loss of tuition for the students who will be withdrawn if the decision is not stayed. Paulsboro argues that it will not be able to reduce expenditures to compensate for this loss and will be forced to pass on the increased costs to its taxpayers and its other sending district. It maintains that in addition to a "devastating" financial impact, termination will result in a significant negative impact on the racial composition of its pupil population by increasing the black student population from 29.1% to 31.4%. Additionally, it asserts that because the Commissioner did not have the benefit of the transcripts when he made his decision, he did not consider material facts which weigh against the ALJ's findings. Finally, Paulsboro urges that while it will "face extinction" if the Commissioner's decision is given effect, Logan will not suffer any hardship if the decision is stayed.

Inasmuch as we agree with the Commissioner that Paulsboro's application fails to meet the standards that would entitle it to relief under <u>Crowe v. De Gioia</u>, 90 <u>N.J.</u> 126 (1982), we deny its motion for stay. In this respect, we stress that pursuant to the Commissioner's decision, withdrawal will occur on a four year phase-out basis commencing with the 1997-98 school year and that while Paulsboro will lose

approximately \$267,840 in tuition over the next four years, its audited free balance for
1994-95 was \$1,243,076.
S. David Brandt opposed.
April 2, 1997
Date of mailing