

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 2837

STATE OF NEW JERSEY

DATED: MARCH 11, 2024

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2837.

This bill authorizes school districts without a board of school estimate to submit to the voters of the district at a special school election a separate proposal or proposals for permission to raise additional funds for the subsequent school budget year beyond the district's authorized tax levy for that year.

Under current law, a school district may submit to the voters at the annual school election, a separate question or proposal for permission to raise additional funds for the budget year beyond the district's authorized tax levy. This bill would allow districts to submit proposals to voters at a special school election to raise such additional funds for the subsequent school budget year. Special school elections may occur in January, March, September, and December. A separate proposal or proposals may only be submitted on a date of a special election once during a school year. Nothing in the bill is to be construed to prohibit the submission to the voters of a question for the approval of capital projects on the same special election date as the submission of a separate proposal for additional funds.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that this bill could result in a marginal expenditure increase to certain school districts without boards of school estimate. The expenditure increase would only be borne by districts that choose to submit to the voters of the district at a special school election a separate proposal or proposals for permission to raise additional funds for the subsequent school budget year beyond the district's authorized tax levy for that year.

The expenditure increase would be in connection with additional school district spending to reimburse certain local government entities for their upfront costs to conduct a special school election. These reimbursements would represent revenue increases for these local entities.

School districts that receive voter approval to raise additional funds for the subsequent school budget year beyond their authorized tax levy will experience an indeterminate revenue increase for that year.