

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3732

STATE OF NEW JERSEY

DATED: MARCH 20, 2023

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3732.

This bill provides that a school district that is subject to a reduction in State school aid under P.L.2018, c.67 (commonly referred to as “S2”) for the 2023-2024 school year will receive an additional one-time only amount of Supplementary Stabilization Aid in the 2023-2024 school year that is equal to 66 percent of the difference between the amount of aid of received in the 2022-2023 school year and the amount of aid proposed for the 2023-2024 school year. To receive the Supplemental Stabilization aid provided under the bill, a school district is required to submit to the Commissioner of Education, in a manner and form to be prescribed by the commissioner, a written plan explaining how the district is going to use the funds and how the district is going to fund operations in future school years in which the district does not receive Stabilization Aid or similar Supplemental Stabilization Aid.

The bill also stipulates that the additional aid provided to each district under the bill is to be distributed as Supplemental Stabilization Aid to ensure that each district receives amounts equal to 66 percent of the difference between the amounts calculated and provided to the district for the 2022-2023 school year and the amounts calculated and proposed for the 2023-2024 school year.

Finally, the bill appropriates a sum from the Property Tax Relief Fund to the Department of Education and provides a list of school districts eligible to receive Supplemental Stabilization Aid under the bill as well as the amount of additional aid to be provided to each district. A total of 161 districts are eligible under the bill to receive a share of \$102.8 million in additional aid.

This Supplemental Stabilization Aid is to be available for the 2023-2024 school year only.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.