

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 1768

STATE OF NEW JERSEY

DATED: OCTOBER 8, 2026

The Senate Economic Growth Committee reports favorably Senate Bill No. 1768.

As reported, this bill requires the Department of the Treasury (department) to, once every third year, conduct and report a stress test analysis on the State's ability to maintain services and provide necessary assistance to residents in various economic conditions.

The bill requires the stress test analysis to include: (1) long- and short-term projections of major funding sources in various economic conditions, including revenues from major taxes and funding from the federal government; (2) a comparison between projections of major funding sources and historical trends for each of those funding sources in various economic conditions; (3) an analysis of expenditures that are likely to increase or decrease in various economic conditions; (4) an accounting of the State's reserves, including amounts deposited into the "Surplus Revenue Fund"; and (5) options that the State has to respond to, and lessen the negative impact of, economic recessions.

Under the bill, the department is required to make the stress test analysis publicly accessible on its Internet website and include the analysis as part of the Governor's annual budget message.

This bill was prefiled for introduction in the 2026-2027 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.