

LEGISLATIVE FISCAL ESTIMATE

SENATE, No. 1841

STATE OF NEW JERSEY

222nd LEGISLATURE

DATED: SEPTEMBER 24, 2026

SUMMARY

Synopsis: Creates "New Jersey Workplace Skills Savings Program"; appropriates \$25 million.

Type of Impact: Annual State expenditure increase.

Agencies Affected: Department of Labor and Workforce Development; Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	Year 1	Thereafter
State Expenditure Increase	Up to \$25.0 million	Indeterminate

- The Office of Legislative Services (OLS) estimates that creating the New Jersey Workplace Skills Savings Program will result in an annual State expenditure increase.
- The bill appropriates \$25.0 million to effectuate the purposes of the bill, including the provision of matching funds. Any residual amount not spent in the first year will be spent in subsequent years until the full \$25.0 million is exhausted.
- The OLS finds there will be ongoing State costs to manage and administer the program. The Department of Labor and Workforce Development would be responsible for all costs of administration and regulation related to the training accounts created under the bill while the Department of the Treasury would be responsible for all costs related to managing the individual accounts, the matching funds, and the disbursements of funds.

BILL DESCRIPTION

The bill creates the New Jersey Workplace Skills Savings Program, enabling workers to make annual investments in job training and makes a \$25 million appropriation.

Under the bill, residents or employees of businesses in the State will be able to set up an individual savings account which can be used to pay for job training, license fees, or other career development activities. Enrollees can deposit up to \$1,000 in any calendar year in the

account, and the State will match contributions on a dollar-for-dollar basis. The Department of Labor and Workforce Development will administer the program and the Department of the Treasury will manage financial responsibilities related to the trust fund and associated individual savings accounts.

The department will be required to produce an annual financial report and summary of the benefits supplied under the program to provide the status of key measurement metrics related to the program.

The bill appropriates \$25 million to effectuate the provisions of the bill, including the provision of matching funds.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that creating the New Jersey Workplace Skills Savings Program will result in an annual State expenditure increase. The bill creates a matching fund program whereby individual workers in the State could deposit up to \$1,000 annually into a self-directed training fund which would be used to cover costs of ongoing employment training, license fees, or other career development activities. The State would provide a dollar-for-dollar match into the individual training account.

The bill will also result in an increase in State costs to manage and administer the program. The Department of Labor and Workforce Development would be responsible for all costs of administration and regulation related to the training accounts created under the bill while the Department of the Treasury would be responsible for all costs related to managing the individual accounts, the matching funds, and the disbursements of funds.

The bill appropriates \$25.0 million to effectuate the purposes of the bill. Any residual amount not spent in the first year will be spent in subsequent years until the full \$25.0 million is exhausted. Based on the December 2025 U.S. Department of Labor workforce reporting, there are approximately 4,500,000 nonfarm workers in the State. Assuming that participating workers each contributed the maximum \$1,000 annually, the initial appropriation would be sufficient to fund the matching funds for 25,000 workers, or approximately one-half of one percent (0.5%) of all workers in the State, less any administrative costs.

As this is a first-of-its-kind program, the OLS lacks the operational basis to forecast with any accuracy the proportion of workers who will take advantage of the matching grants and to what extent participating workers will contribute the maximum \$1,000 annually.

The OLS notes the potential for increased State revenues to the gross income tax if enhanced worker training opportunities improve participants' skills and increase their earnings.

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).