

[First Reprint]

ASSEMBLY, No. 4310

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 25, 2020

Sponsored by:

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Co-Sponsored by:

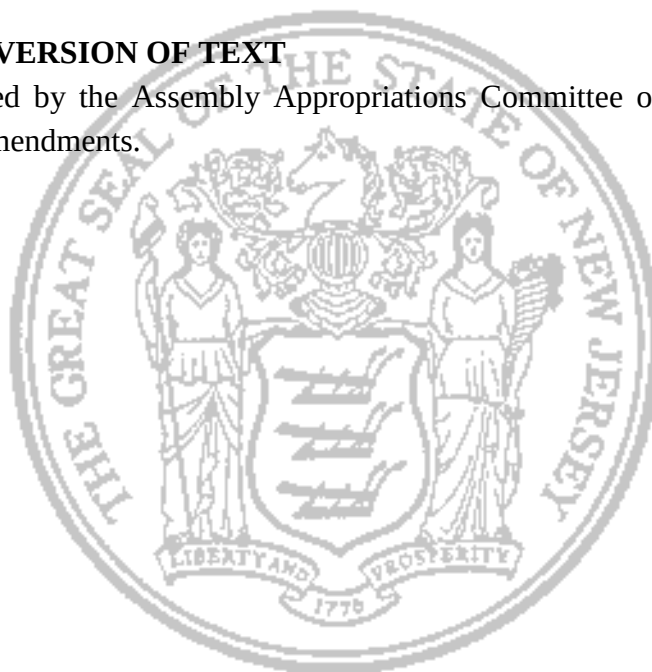
Assemblywomen Downey and Timberlake

SYNOPSIS

Authorizes school districts to maintain surplus at four percent for 2020-2021 and 2021-2022 school years.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on February 24, 2021, with amendments.



(Sponsorship Updated As Of: 3/1/2021)

1 AN ACT concerning ¹**the anticipation of miscellaneous revenue in**
2 local unit budgets and ¹**the level of allowable school district**
3 surplus following the COVID-19 pandemic.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 ¹**1. a.** Notwithstanding the provisions of N.J.S.40A:4-26 or any
9 other section of law to the contrary, due to the financial impacts of
10 COVID-19, miscellaneous revenues from any source may be
11 included as an anticipated revenue in the calendar year 2021 or
12 fiscal year 2021 budget of a local unit, as applicable, in an amount
13 in excess of the amount actually realized in cash from the same
14 source during the next preceding fiscal year. The governing body
15 of a local unit shall submit an application to the Division of Local
16 Government Services in the Department of Community Affairs
17 demonstrating that the financial impact of COVID-19 clearly
18 warrants the expectation that the excess amount will actually be
19 realized in cash during calendar year 2021 or fiscal year 2021, as
20 applicable. If the division determines that the anticipated excess
21 revenue is attributed to the financial impact of COVID-19, and the
22 amount of anticipated revenue complies with the guidelines
23 established pursuant to subsection b. of this section, the division
24 shall approve the local unit's application and shall certify the
25 determination, in writing, to the local unit.

26 b. Within 30 days after the date of enactment of this act, the
27 division shall issue guidelines as are necessary to implement the
28 provisions of this act. At a minimum, these guidelines shall
29 determine for local units the amount of any miscellaneous revenue
30 that may be anticipated in the calendar year 2021 or fiscal year
31 2021 budget of a local unit, as applicable. ¹**]**
32

33 ¹**[2.] 1.** Notwithstanding the provisions of section 7 of
34 P.L.1996, c.138 (C.18A:7F-7), section 2 of P.L.1979, c.294
35 (C.18A:22-8.1), or any other section of law to the contrary, due to the
36 financial impacts of COVID-19, a school district, other than a county
37 vocational school district, may maintain for the 2020-2021 ¹**and 2021-**
38 **2022**¹ school ¹**[year] years**¹, an undesignated general fund balance of
39 four percent of the budgeted general fund for the prebudget year, and
40 the use or transfer of those funds between line items and program
41 categories shall not require the approval of the Commissioner of
42 Education.
43

44 ¹**[3.] 2.** This act shall take effect immediately ¹**[and section 1**
45 **shall expire one year after enactment]**¹.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted February 24, 2021.