

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 4461
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: SEPTEMBER 1, 2020

SUMMARY

- Synopsis:** Requires State to enter into contract and coordinate with certain cooperative purchasing systems for procurement of COVID-19 related goods and services by school districts and county colleges.
- Type of Impact:** State expenditure increase. Potential local expenditure increases.
- Agencies Affected:** Division of Purchase and Property in the Department of the Treasury; Department of Education; Office of the Secretary of Higher Education; local boards of education.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost Increase		Indeterminate	
Local Cost Increase		Indeterminate	

- The Office of Legislative Services (OLS) finds the cost for the State to enter into contracts for the purchase of COVID-19 related materials that school districts and county colleges may purchase, but are not required to purchase under this bill, to be indeterminate at this time.
- The OLS cannot make an estimate because it does not have information regarding the readiness and needs of each of the 584 school districts, 88 charter schools, 3 renaissance schools, or 18 public community colleges in New Jersey; the amount each has already spent on COVID-19 preparation and if these preparations meet guidelines established by the Centers for Disease Control and Prevention (CDC); the amount of CARES Act funding each district was allocated for Person Protection Equipment (PPE); and the amount spent to date, or additional needs for other COVID-19 materials, supplies, or staffing.

BILL DESCRIPTION

This bill requires the State to enter into contracts and coordinate with certain cooperative purchasing systems to assist public schools (i.e., school districts, charter schools, and renaissance schools) and county colleges in the purchase of COVID-19 related goods and services.

Under the bill, the Director of the Division of Purchase and Property in the Department of the Treasury, in consultation with the Commissioner of Education and the Secretary of Higher Education, would be required to award contracts for the procurement of COVID-19 related goods and services by public schools and county colleges. The bill also requires the director to coordinate with the lead agency of any State-approved cooperative purchasing system that includes a public school or county college to provide for the procurement of COVID-19 related goods and services. The bill permits the State to award contracts to more than one bidder.

Additionally, the bill permits public schools and county colleges to purchase COVID-19 related goods and services, without advertising for bids, through any contract that is (1) entered into by the Division of Purchase and Property, or (2) made available through a State-approved cooperative purchasing system of which the school or college is a member. The bill also requires the Department of Education and the Office of the Secretary of Higher Education to coordinate the purchase of COVID-19 related goods and services by public schools and county colleges, respectively.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds the cost for the State to enter into contracts for the purchase of COVID-19 related materials that school districts and county colleges may purchase, but are not required to purchase under this bill, to be indeterminate at this time. There are approximately 584 school districts, 88 charter schools, 3 renaissance schools, and 18 public community colleges in New Jersey of different sizes and structure including the number of students, school buildings, staff members, and school buses. The OLS cannot make an estimate because it does not have information regarding the readiness and needs of each school district, school, or community college; the amount each has already spent on COVID-19 preparation and if these preparations meet federal guidelines; the amount of CARES Act funding each school district, school, or community college was allocated for Person Protection Equipment (PPE); and the amount spent to date, or additional needs for other COVID-19 materials, supplies, or staffing. Media reports indicate that New Jersey schools were awarded \$310 million in May in CARES Act funding, but no information was provided regarding the requirements of how the money was to be spent.

The bill requires that the COVID-19 related materials meet the guidelines issued by the CDC. The following link provides a CDC Readiness and Planning Tool to Prevent the Spread of COVID-19 in K-12 Schools. It provides a checklist of policies and procedures, facilities and supplies, education and training and other information to help school districts identify actions to take to prepare for in-person instruction.

<https://www.cdc.gov/coronavirus/2019-ncov/downloads/community/School-Admin-K12-readiness-and-planning-tool.pdf>

Section: State Government

*Analyst: Kimberly M. Clemmensen
Lead Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

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