

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4059

# STATE OF NEW JERSEY

DATED: MAY 9, 2024

The Senate Budget and Appropriations Committee favorably reports Assembly Bill No. 4059.

This bill requires the Commissioner of Education to permit certain school districts losing State school aid to submit budgets after enactment of the State fiscal year 2025 appropriations act. The commissioner is authorized under the bill to make any adjustments to the school budget calendar that are necessary to conform with the provisions of the bill, which adjustments include a compressed schedule by which a school district can enact its budget.

The bill applies to school districts, which are proposed to receive a State school aid reduction and are experiencing a reduction that is greater than the total amount of the district's unused tax authority permitted under current law. This unused tax authority is often referred to as "banked cap." Under current law, a school district may add to its adjusted tax levy in any one of the next three succeeding budget years, the amount of the difference between the maximum allowable amount to be raised by taxation for the current school budget year and the actual amount to be raised by taxation for the current school budget year.

As reported by the committee, Assembly Bill No. 4059 is identical to Senate Bill No. 3002, which was also reported by the committee on this date.

#### FISCAL IMPACT:

This bill has not been certified as requiring a fiscal note.