

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3089

STATE OF NEW JERSEY

DATED: MARCH 16, 2023

The Assembly Education Committee reports favorably Senate Bill No. 3089 (1R).

As amended, this bill permits a board of education or board of school estimate, as appropriate, of a school district that received unanticipated State military impact aid revenue in the 2021-2022 school year to establish a State military impact aid reserve account. A board may appropriate the unanticipated State military impact aid revenue to establish the reserve account in the district's annual budget, or through transfer by a two-thirds affirmative vote of the authorized membership of the board, for withdrawal in any subsequent school year. Any transfer to the reserve account is not to exceed the total amount of unanticipated State military impact aid revenue. The board, at its discretion, may use the funds in the reserve account for general fund expenses. The bill requires the reserve account to be established and held in accordance with GAAP and provides that the account would be subject to annual audit.

The amended bill would apply to school districts that received State aid pursuant to P.L.2022, c.19, which provided a fiscal year 2022 supplemental appropriation of over \$1.1 million for State military impact aid.

As reported by the committee, this bill is identical to Assembly Bill No. 4722, which was amended and reported by the committee on this same date.