

SENATE, No. 3961

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED DECEMBER 12, 2024

Sponsored by:

Senator M. TERESA RUIZ

District 29 (Essex and Hudson)

Senator NICHOLAS P. SCUTARI

District 22 (Somerset and Union)

Co-Sponsored by:

Senator McKnight

SYNOPSIS

Requires boards of education to offer no-fee option to parents for making school lunch and other payments; requires payment processing platforms used by school districts to provide users with information on user fees.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/30/2025)

S3961 RUIZ, SCUTARI

2

1 AN ACT concerning the fees of payment processing platforms used
2 by school districts and supplementing chapter 6 of Title 18A of
3 the New Jersey Statutes.

4

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

7

8 1. The Legislature finds and declares that:

9 a. School food authorities participating in the National School
10 Lunch Program administered by the United States Department of
11 Agriculture (USDA) are required to provide fee-free avenues to pay
12 for school lunch and inform families about all available payment
13 methods, including associated fees.

14 b. However, these fee-free options are not always well
15 advertised or accessible. Despite requirements from the USDA,
16 families may be paying more in fees than they would choose to if
17 they had access to comparably convenient payment options with
18 lower or no fees.

19 c. School districts are able to negotiate fees while contracting
20 with payment platforms.

21

22 2. As used in this act, “payment processing platform” means a
23 payment system that enables parents or guardians of students to
24 make electronic payments for school meals, field trips, activity fees,
25 or other goods or services provided by or distributed through the
26 school district, or any school, group, or club thereof.

27

28 3. Any contract entered into on or after the effective date of this
29 act by a board of education with a third party vendor for the
30 development or use of a payment processing platform shall require the
31 payment processing platform to provide users with clear information
32 on:

33 a. all fees charged for use of the platform;

34 b. the average annual fees incurred by a user of the platform; and

35 c. the availability of an alternative no-fee means to make direct
36 payments through the board of education.

37

38 4. a. A board of education shall offer students, parents, and
39 guardians a no-fee option for making direct payments for school
40 meals, field trips, activity fees, or other goods or services provided
41 by or distributed through the school district, or any school, group,
42 or club thereof. The option shall be provided at a time and place
43 that is convenient for student, parent, and guardian use.

44 b. Any communication from the board, or any school, group, or
45 club thereof, requesting payment for school meals, field trips,
46 activity fees, or other goods or services shall include information
47 on:

1 (1) the direct payment option required pursuant to subsection a.
2 of this section; and

3 (2) the fees associated with use of any payment processing
4 platform that may be used to make the payment.

5

6 5. The provisions of this act shall apply to the board of trustees
7 of a charter school that is established pursuant to P.L.1995, c.426
8 (C.18A:36A-1 et seq.).

9

10 6. This act shall take effect immediately.

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STATEMENT

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15 This bill requires boards of education to offer a no-fee option to
16 parents and guardians for making school lunch and other types of
17 payments. The bill also requires any payment processing platform
18 used by a school district to provide users with certain information
19 on user fees.

20 Under the bill, any contract entered into on or after the bill's
21 effective date by a board of education with a third party vendor for the
22 development or use of a payment processing platform is to require the
23 payment processing platform to provide users with clear information
24 on:

- 25 • all fees charged for use of the platform;
- 26 • the average annual fees incurred by a user of the platform; and
- 27 • the availability of an alternative no-fee means to make direct
28 payments through the board of education.

29 The bill requires a board of education to offer students, parents,
30 and guardians a no-fee option for making direct payments for
31 school meals, field trips, activity fees, or other goods or services
32 provided by or distributed through the school district, or any school,
33 group, or club thereof. The option is to be provided at a time and
34 place that is convenient for student, parent, and guardian use.

35 Finally, the bill requires that any communication from the board,
36 or any school, group, or club thereof, requesting payment for school
37 meals, field trips, activity fees, or other goods or services is to
38 include information on:

- 39 • the direct payment option required pursuant to the bill's
40 provisions; and
- 41 • the fees associated with use of any payment processing
42 platform that may be used to make the payment.

43 The bill clarifies that its provisions apply to the boards of
44 trustees of charter schools.