LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 5024
STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JANUARY 13, 2026

SUMMARY

Synopsis: Establishes State Longitudinal Data System.

Type of Impact: Annual State expenditure increase.

Agencies Affected: Department of Education; Office of the Secretary of Higher Education; Higher Education Student Assistance Authority; Department of Labor and Workforce Development; Motor Vehicle Commission.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Cost Increase	Up to $2 million

- The Office of Legislative Services (OLS) determines that this bill may result in costs of up to $2 million due to the bill's requirement for an annual appropriation in that amount to support the infrastructure and maintenance of the State Longitudinal Data System.

- The OLS notes, however, that annual appropriations acts in recent years have already provided funding for the State Longitudinal Data System. Recent annual appropriations acts have included budget language directing revenue from the Special Education Medicaid Initiative program, as well as additional State funds, to fund costs attributable to the State Longitudinal Data System.

- Since this bill appears to codify the data system that has been funded through the annual appropriations act, it is likely that the State will not experience significant costs above those that are already incurred to support the data system's costs.

BILL DESCRIPTION

This bill codifies the State Longitudinal Data System. The system is to serve as the State's centralized longitudinal data system for education, workforce, and related data collected by State departments, agencies, and other entities. The data system is to be owned by the State, with oversight from the State Longitudinal Data System Governing Board. The data system is to be maintained and operated by the John J. Heldrich Center for Workforce Development at Rutgers, the State University.

The State Longitudinal Data System is to house data provided by: the Department of Education; the Office of the Secretary of Higher Education; the Higher Education Student Assistance Authority; the Department of Labor and Workforce Development; and any other State department, agency, or entity that enters into the data system as a formal partner or through a pilot project pursuant to the bill. The New Jersey Motor Vehicle Commission is required to serve as an intermediary to support confirmation of education and employment data.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that this bill may result in costs of up to $2 million due to the bill's requirement for an annual appropriation in that amount to support the infrastructure and maintenance of the State Longitudinal Data System.

The OLS notes, however, that annual appropriations acts in recent years have already provided funding for the State Longitudinal Data System. Budget language in the Department of Education portion of the annual appropriations act, for example, directs revenue from the Special Education Medicaid Initiative program to fund costs, including required enhancements and upgrades, attributable to the State Longitudinal Data System. The annual appropriations act has also included language authorizing the issuance of unlimited supplemental appropriations to satisfy the costs of the data system in the event that Special Education Medicaid Initiative funds are insufficient. Lastly, language included as part of the Office of the Secretary of Higher Education's portion of the annual appropriations act has authorized supplemental appropriations up to $500,000 for the purpose of supporting the maintenance of the longitudinal data system.

Since this bill appears to codify the data system that has already been funded through the appropriations act, it is likely that the State will not experience significant costs above those that are already incurred to support the data system's costs. While the OLS does not have access to information concerning the amount of Special Education Medicaid Initiative program funds and State funds that are specifically expended on the State Longitudinal Data System, the data system's annual report for 2024 indicates an annual cost of approximately $1.7 million.

Section:	*Education*
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Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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