LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 5029

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JANUARY 15, 2026

SUMMARY

Synopsis: Establishes nonpublic school nursing services pilot program to provide funding to county consortium of nonpublic schools for nursing services.

Type of Impact: Potential State expenditure decrease during the pilot program.

Agencies Affected: Department of Education.

Office of Legislative Services Estimate

Fiscal Impact	Years 1 through 3
Potential State Expenditure Decrease	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill could lead to a reduction in annual State expenditures related to the provision of required nursing services to nonpublic schools participating in the county consortium authorized by the bill.

- In the immediate fiscal year, the bill would likely result in no change to State costs, but long-term cost savings may be achieved due to economies of scale in the contracting of nursing services by nonpublic schools in the consortium.

- The OLS notes that only Bergen County appears to be eligible to participate in the pilot program under the bill.

BILL DESCRIPTION

The bill requires the establishment of a three-year nonpublic school nursing services pilot program in the eligible county permitting the establishment of a nonprofit county consortium for the provision of nursing services to nonpublic schools that are part of the consortium. Bergen County appears to be the only county eligible to participate in the pilot program under the bill. The bill requires a board of education to disburse to the county consortium an amount equal to the

nonpublic nursing services aid that is paid to the school district. Any unexpended State aid for nonpublic school nursing services under the bill would be refunded to the State.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill could lead to a reduction in annual State expenditures related to the provision of required nursing services to nonpublic schools participating in the nonprofit county consortium authorized by the bill. In the immediate fiscal year, the bill would likely result in no change to State costs, but long-term cost savings may be achieved due to economies of scale in the contracting of nursing services by nonpublic schools in the consortium. The OLS notes that only Bergen County appears to be eligible under the pilot program.

The bill creates a pilot program to allow nonpublic schools in an eligible county to join a county consortium, which would then contract for the provision of nursing services to the nonpublic schools in lieu of nursing services provided by the school districts in which the nonpublic schools are located. Each school district in which participating nonpublic schools are located would pay to the consortium the amount of nonpublic nursing services aid received. Consequently, there is no immediate impact to State costs.

In assuming responsibility for providing nursing services to multiple nonpublic schools, the county consortium may be able to achieve cost savings or operational efficiencies through economies of scale. The bill requires the county consortium to reimburse the State if costs are less than the amount of aid provided. Over time, State expenditure decreases may be achieved if the county consortium is able to achieve sustainable cost savings sufficient for the State to decrease the amount of nonpublic nursing services aid provided. To the extent that cost savings are achieved, school districts in which participating nonpublic schools are located may experience concurrent revenue and expenditure decreases associated with lower nonpublic nursing services aid allocations and lower nursing services costs.

Section:	*Education*
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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.).