

ASSEMBLY, No. 5662

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 19, 2026

Sponsored by:

Assemblyman ALEX SAUICKIE

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Establishes Education Endowment Fund.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing the Education Endowment Fund and
2 supplementing Title 52 of the Revised Statutes.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. a. There is established within the Department of the Treasury
8 a nonlapsing, revolving fund to be known as the “Education
9 Endowment Fund.”

10 b. The fund shall annually be credited with no less than 10
11 percent of the undesignated fund balance for the State fiscal year.
12 The department shall be authorized to seek and accept gifts, grants,
13 or donations from private or public sources for deposit in the
14 Education Endowment Fund, except that the department may not
15 accept a gift, grant, or donation that is subject to conditions that are
16 inconsistent with any other law.

17 The Director of the Division of Investment may invest the public
18 moneys constituting the Education Endowment Fund in the same
19 types of investments and subject to the same limitations provided
20 for the investment of funds in the State Treasury. The director shall
21 be responsible for the adequacy of the accounting services provided
22 by the custodian bank and shall maintain such accounting records as
23 may be required for that purpose. All interest and investment
24 earnings received on monies in the fund shall be credited to the
25 fund.

26 c. Amounts shall be annually appropriated from the fund to the
27 Department of Education for distribution to school districts to
28 supplement State school aid and support educational and
29 extracurricular programs, including summer school, remedial
30 mathematics and world languages courses, art and music courses,
31 sports teams, and extracurricular clubs. The Department of
32 Education shall distribute the funds to school districts in proportion
33 to the number of students enrolled in each school district, with the
34 amounts divided to the nearest five cent increment. The amounts
35 appropriated from the fund shall be determined as follows:

36 (1) in the first year through the fifth year following establishment
37 of the fund, 25 percent of the interest earned on the investment of
38 monies in the fund;

39 (2) in the sixth year through the tenth year following the
40 establishment of the fund, 50 percent of the interest earned on the
41 investment of monies in the fund; and

42 (3) in the eleventh year following the establishment of the fund
43 and in each year thereafter, 75 percent of the interest earned on the
44 investment of monies in the fund.

45
46 2. This act shall take effect immediately.

STATEMENT

This bill establishes the Education Endowment Fund for the purpose of supporting the costs of certain educational and extracurricular activities.

The fund would be credited with at least 10 percent of annual State surplus funds, as well as any donations received and investment earnings on monies in the fund. The amount appropriated in any particular year would be: 25 percent of the interest earned in the first through fifth years following establishment of the fund; 50 percent of the interest earned in the sixth through tenth years following establishment of the fund; and 75 percent of the interest earned in the eleventh year following establishment of the fund and in each year thereafter.

The fund would be used to supplement State school aid and to support educational and extracurricular programs, including summer school, remedial mathematics and world languages courses, art and music courses, sports teams, and extracurricular clubs.