

SENATE, No. 4544

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED SEPTEMBER 28, 2026

Sponsored by:
Senator MICHAEL L. TESTA, JR.
District 1 (Atlantic, Cape May and Cumberland)

SYNOPSIS

Prohibits limitation of State school aid increases in 2026-2027 school year; appropriates \$332.6 million.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning State school aid and making an appropriation.

2

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

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6 1. a. Notwithstanding the provisions of any law, rule, or
7 regulation to the contrary, the Commissioner of Education shall not
8 limit increases in State school aid such that a school district's
9 uncapped State school aid for the 2026-2027 school year is reduced.

10 b. As used in this section:

11 "State school aid" means the sum of a district's equalization aid,
12 transportation aid, special education categorical aid, and security
13 categorical aid; and

14 "Uncapped State school aid" means the amount of equalization
15 aid, transportation aid, special education categorical aid, and
16 security categorical aid, as calculated for a school district prior to
17 the limitation of any State aid increases.

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19 2. There is appropriated from the Property Tax Relief Fund to
20 the Department of Education the sum of \$332,570,597 to effectuate
21 the provisions of this act.

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23 3. This act shall take effect immediately.

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26 STATEMENT

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28 This bill prohibits the limitation of increases in State school aid
29 provided to school districts in the 2026-2027 school year.

30 The FY2027 appropriations act includes language limiting
31 increases in State school aid, defined as the sum of equalization aid,
32 transportation aid, special education categorical aid, and security
33 categorical aid, to six percent of a district's allocation of aid in the
34 2025-2026 school year. The bill would entitle a school district to
35 receive the full amount of State school aid calculated for the 2026-
36 2027 school year prior to the application of the six percent growth
37 limit.

38 The bill appropriates \$332.6 million to provide additional aid to
39 the affected school districts.