

LEGISLATIVE FISCAL ESTIMATE
ASSEMBLY, No. 373
STATE OF NEW JERSEY
216th LEGISLATURE

DATED: MARCH 27, 2014

SUMMARY

Synopsis: Requires school buildings to be equipped with emergency light and panic alarm linked to local law enforcement.

Type of Impact: Minimal Expenditure Increase

Agencies Affected: Department of Education; School Districts

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	None – See comments below		
Local Cost	Minimal Expenditure Increase		

- Assembly Bill No. 373 would not lead to an expenditure increase for the State, as the installation of panic alarms and emergency lights would be funded from the proceeds of bonds issued by the Economic Development Authority (EDA) under the “Educational Facilities Construction and Financing Act.” These bonds would be issued even in the absence of this legislation. After installation is completed, school districts may incur minimal ongoing maintenance costs.
- Research on the cost of installing panic alarm systems in schools in recent years suggests that the cost may range from \$1,000 to \$5,000 per school. Given that there are approximately 2,500 public schools located in the State, the total cost of installing the system required by the legislation may range from \$2.5 million to \$12.5 million.

BILL DESCRIPTION

Assembly Bill No. 373 of 2014 requires that all public elementary and secondary schools in the State be equipped with at least one panic alarm that is directly linked to local law enforcement (or State Police, if the municipality does not operate its own police department) for use in an emergency situation. The panic alarm must be silent within the school building, and must also activate an emergency light located on the exterior of the school building in a highly

visible location. Proceeds from bonds issued by the EDA would be used to finance the installation of the panic alarms and emergency lights.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

Assembly Bill No. 373 would not lead to an increase in State expenditures. Under current law, the EDA is authorized to issue bonds to finance the State share of school construction projects in the State. Under this bill, a portion of those bond proceeds would be used to finance the installation of the panic alarms and emergency lights. The cost of installing a panic alarm in a school appears to vary considerably, ranging from \$1,000 per school to \$5,000 per school. There are approximately 2,500 schools in the State, suggesting that between \$2.5 million to \$12.5 million in bond proceeds may be used for this purpose. School districts may incur minimal ongoing maintenance costs after the equipment is installed.

Section: Education
Analyst: Allen T. Dupree
Lead Fiscal Analyst
Approved: David J. Rosen
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.).