

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 688
STATE OF NEW JERSEY
218th LEGISLATURE

DATED: DECEMBER 5, 2018

SUMMARY

- Synopsis:** Establishes the four-year “New Jersey Early Innovation Inspiration School Grant Pilot Program” in DOE to fund non-traditional Science, Technology, Engineering, and Mathematics programs for students in grades K through 8.
- Type of Impact:** Expenditure Increase From General Fund
- Agencies Affected:** Department of Education; participating School Districts

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost		\$900,000	
Local Cost		\$225,000	

- The Office of Legislative Services (OLS) concludes that the bill will lead to an increase of up to \$900,000 in State expenditures. Under the bill, the Commissioner of Education is required to award a one-time, up-front grant not to exceed \$150,000 to each of the six qualifying school districts to implement the pilot program. If each of the six selected school districts receives the full grant amount of \$150,000, the total State expenditure would equal \$900,000.
- The OLS concludes that the bill will lead to an increase of up to \$225,000 in school district expenditures. Under the bill, each selected school district that receives a grant is required to provide district matching funds in an amount equal to 25 percent of the grant amount. If each of the six selected school districts receives the full grant amount of \$150,000, an individual school district would be responsible for a district matching amount of \$37,500, for a total combined matching amount of \$225,000.
- The OLS notes that the bill also requires each selected school district to secure additional matching funds or in-kind contributions from corporate donors or other private sector donors in an amount equal to 25 percent of the grant amount.

BILL DESCRIPTION

This bill establishes the four-year “New Jersey Early Innovation Inspiration School Grant Pilot Program” in the Department of Education. Under the pilot program, grants will be awarded to school districts to: cultivate interest in the STEM (science, technology, engineering, and mathematics) fields at an early age; support non-traditional STEM teaching methods for students in grades kindergarten through 8; promote innovation and broaden interest in careers in STEM fields by investing in programs supported by teachers and professional mentors; and encourage collaboration among students, engineers, and other professional mentors.

Under the pilot program, the commissioner will award a total of six, one-time, up-front grants of up to \$150,000 each. In awarding the grants, the commissioner will give priority to applications from districts that intend to target activities in a rural or urban school, a low-performing school, or a school or school district that serves low-income students. The districts will be permitted to use the grant funds for a period of up to four years.

A school district that receives a grant may use the funds to: promote STEM education and career activities; purchase supplies needed to support participation in non-traditional STEM teaching programs; provide incentives and stipends for teachers involved in non-traditional STEM teaching methods outside of their regular teaching duties; provide support and finance the expenses of student participation in regional and national nonprofit STEM competitions; finance items such as equipment, facility use, technology, broadband access, and other expenses, directly associated with non-traditional STEM teaching and mentoring; and carry out other activities that are related to the goals of the pilot program.

A school district that receives a grant is required to provide district matching funds in an amount equal to 25 percent of the grant amount. In addition, the district must secure matching funds or in-kind contributions from corporate donors or other private sector donors in an amount equal to 25 percent of the grant amount.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill will lead to an increase of up to \$900,000 in State expenditures and an increase of up to \$225,000 in school district expenditures. Under the bill, the Commissioner of Education will award a one-time, up-front grant not to exceed \$150,000 to each of the six qualifying school districts to implement the pilot program. If each of the six selected school districts receives the full grant amount of \$150,000, the total State expenditure would equal \$900,000. Also under the bill, each selected school district that receives a grant is required to provide district matching funds in an amount equal to 25 percent of the grant amount. If each of the six selected school districts receives the full grant amount of \$150,000, each individual school district would be responsible for a district matching amount of \$37,500, for a total combined amount of \$225,000.

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Section: Education

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