

SENATE, No. 2507

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 4, 2020

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

Permits school district to use capital reserve account funds for certain expenses during state of emergency.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/8/2020)

1 AN ACT concerning the use of school district capital reserve
2 accounts during a state of emergency and supplementing chapter
3 21 of Title 18A of the New Jersey Statutes.

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

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8 1. Notwithstanding the provisions of N.J.S.18A:21-4 or any
9 other section of law to the contrary, whenever a school district is
10 required to close the schools of the district for more than three
11 consecutive school days due to a declared public health emergency,
12 a state of emergency, or a directive by the appropriate health agency
13 or officer to institute a public health related closure, the school
14 district may use the funds in the district's capital reserve account to
15 support the general fund expenses of the school district as follows:

- 16 a. for current expenses related to the public health emergency,
17 state of emergency, or directive; and
18 b. for expenses incurred in connection with the transition to and
19 use of virtual or remote instruction.

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21 2. This act shall take effect immediately and shall be
22 retroactive to March 18, 2020.

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25 STATEMENT

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27 Under current law, a board of education is prohibited from using
28 its capital reserve account for current expenses of the general fund.

29 Under this bill, when a school district is required to close the
30 schools of the district for more than three consecutive school days
31 because of a declared public health emergency, state of emergency,
32 or directive by the appropriate health agency or officer to institute a
33 public health related closure, the district may use the funds in its
34 capital reserve account for: current expenses related to the declared
35 public health emergency, state of emergency, or directive; and for
36 expenses incurred in connection with the transition to and use of
37 virtual or remote instruction.

38 The bill will be retroactive to March 18, 2020, the date on which
39 the Governor required that schools be closed under Executive Order
40 104 of 2020 issued in response to the coronavirus disease 2019.