

August 23, 2019

**SENATE BILL NO. 3330**  
**(Third Reprint)**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 3330 (Third Reprint) with my recommendations for reconsideration.

Current law authorizes local boards of education to use public school buildings and school district property for certain non-school purposes when the buildings or property are not in use by the district. Permitted uses include educational gatherings, public library purposes, meetings and occasions where admission fees are charged as approved by the board, and for use as polling places. Public school buildings may also be used for child care services before or after regular school hours for school aged children who attend school within the district provided by the board of education, a board approved sponsor, or a child care program licensed under the Child Care Center Licensing Act.

This bill would establish a pilot program to study the impact and effect of child care providers operating in public school facilities for the purpose of providing childcare to children younger than school age. The Commissioner of Children and Families (the "Commissioner") would oversee the pilot program and only licensed community providers would be eligible to participate. Although children residing in the district and children of employees of the district would be given preference for the child care services offered under the pilot, children residing outside of the district would be eligible to attend if space permits. The pilot program would explore the benefits and any potential negative consequences of permitting this arrangement within school districts, including any cost savings realized by the parents or

guardians of children receiving child care services from a provider in the pilot program.

I commend the Legislature for exploring creative ways to expand the availability of child care services in the State. The bill, however, runs afoul of current school district budgeting and accounting principles by requiring participating districts to use any revenue raised from the community providers to support a district's general fund budget. Department of Education regulations require that school districts maintain a uniform system of financial bookkeeping and reporting that is fully consistent with the generally accepted accounting principles (GAAP) as set forth in the Governmental Accounting and Financial Reporting Standards published by the Governmental Accounting Standards Board. Adherence to those standards is critical, as it ensures federal compliance with reporting standards as set forth in the National Center for Education Statistics (NCES). I am therefore recommending an amendment to require participating districts to adhere to these long-established standards.

I am also recommending modest revisions to streamline the pilot program, including shortening the pilot period from five to three years in order to align the pilot with the three-year licensure period for child care facilities and requiring the districts selected by the Commissioner to select up to two community providers to participate in the pilot, rather than requiring the Commissioner to directly designate the community providers.

Therefore, I herewith return Senate Bill No. 3330 (Third Reprint) and recommend that it be amended as follows:

Page 3, Section 1, Line\_17:

Delete "five-year" and insert "three-year"

Page 3, Section 1, Line 24:

Delete "15" and insert "up to 10 school districts that shall each select up to two"

Page 3, Section 1, Line 26:

Delete "The 15 designees shall include all" and insert "If the commissioner designates a school district in which a"

Page 3, Section 1, Line 27:

Delete "providers" and insert "provider is"

Page 3, Section 1, Line 28:

Delete "this act" and insert "P.L. , c. (pending before the Legislature as this bill), then the school district shall select that community provider to provide child care services under the pilot program"

Page 4, Section 1, Line 3:

Delete "Any revenue raised by a board of education through the" and insert "A local board of education participating in the pilot program shall adhere to the compliance and reporting standards prescribed by the State Board of Education pursuant to N.J.S.18A:4-14."

Page 4, Section 1, Lines 4-7:

Delete in their entirety

Page 4, Section 1, Line 21:

After "commissioner" insert ", in consultation with the Commissioner of Education,"

Respectfully,

[seal]

/s/ Philip D. Murphy

Governor

Attest:

/s/ Matthew J. Platkin

Chief Counsel to the Governor