

P.L. 2025, CHAPTER 75, *approved June 30, 2025*
Assembly, No. 5810

1 **AN ACT** eliminating fees to appeal certain decisions by health
2 insurance carriers and amending P.L.1997, c.192.

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

6
7 1. Section 11 of P.L.1997, c.192 (C.26:2S-11) is amended to
8 read as follows:

9 11. There is established the Independent Health Care Appeals
10 Program in the department.

11 The purpose of the appeals program is to provide an independent
12 medical necessity or appropriateness of services review of final
13 decisions by carriers to deny, reduce or terminate benefits in the
14 event the final decision is contested by the covered person or any
15 health care provider acting on behalf of the covered person but only
16 with the covered person's consent. The appeal review shall not
17 include any decisions regarding benefits not covered by the covered
18 person's health benefits plan.

19 a. A covered person or health care provider may apply to the
20 Independent Health Care Appeals Program for a review of a decision
21 to deny, reduce or terminate a benefit if the person or health care
22 provider has already completed the carrier's appeals process, if any,
23 and the person or health care provider contests the final decision by
24 the carrier. The person or health care provider shall apply to the
25 department within 60 days of the date the final decision was issued
26 by the carrier, in a manner determined by the commissioner.

27 b. As part of the application, the covered person or health care
28 provider shall provide the department with:

29 (1) The name and business address of the carrier;

30 (2) A brief description of the covered person's medical condition
31 for which benefits were denied, reduced or terminated;

32 (3) A copy of any information provided by the carrier regarding
33 its decision to deny, reduce or terminate the benefit; and

34 (4) A written consent to obtain any necessary medical records
35 from the carrier and, in the case of a carrier which offers a managed
36 care plan, any other out-of-network physician the person may have
37 consulted on the matter.

38 c. **【**The covered person shall pay the department an application
39 processing fee of \$25, except that the commissioner may reduce or
40 waive the fee in the case of financial hardship. The health care
41 provider acting on the covered person's behalf shall bear all costs

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】 in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

1 associated with the appeal that are normally paid by the covered
2 person.】 (Deleted by amendment, P.L. , c. (C.) (pending
3 before the Legislature as this bill)

4 d. Prior to receiving hospital services, a covered person or a
5 person designated by the covered person may sign a consent form
6 authorizing a health care provider acting on the covered person's
7 behalf to appeal a determination by the carrier to deny, reduce or
8 terminate benefits. The consent is valid for all stages of the carrier's
9 informal and formal appeals process and the Independent Health Care
10 Appeals Program established pursuant to this section. A covered
11 person shall retain the right to revoke his consent at any time.

12 e. A health care provider shall provide notice to the covered
13 person whenever the health care provider initiates an appeal of a
14 carrier's determination to deny, reduce or terminate a benefit or deny
15 payment for a health care service based on a medical necessity
16 determination made by the carrier. The health care provider shall
17 provide additional notice to the covered person each time the health
18 care provider continues the appeal to the next stage of an appeals
19 process, including any appeal to an independent utilization review
20 organization pursuant to this section.

21 (cf: P.L.2005, c.352, s.8)

22

23 2. This act shall take effect immediately.

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25

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STATEMENT

27

28 This bill eliminates fees for appeals against health insurance
29 carriers pursuant to the Independent Health Care Appeals Program.
30 This bill is in response to the Governor's Fiscal Year 2026 budget
31 recommendations to enact legislation to permanently eliminate fees
32 for consumer appeals against insurance carriers that deny, reduce, or
33 terminate benefits.

34

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37

38 Promotes equity in health insurance appeal process.

CHAPTER 75

AN ACT eliminating fees to appeal certain decisions by health insurance carriers and amending P.L.1997, c.192.

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

1. Section 11 of P.L.1997, c.192 (C.26:2S-11) is amended to read as follows:

C.26:2S-11 Independent Health Care Appeals Program.

11. There is established the Independent Health Care Appeals Program in the department.

The purpose of the appeals program is to provide an independent medical necessity or appropriateness of services review of final decisions by carriers to deny, reduce, or terminate benefits in the event the final decision is contested by the covered person or any health care provider acting on behalf of the covered person, but only with the covered person's consent. The appeal review shall not include any decisions regarding benefits not covered by the covered person's health benefits plan.

a. A covered person or health care provider may apply to the Independent Health Care Appeals Program for a review of a decision to deny, reduce, or terminate a benefit if the person or health care provider has already completed the carrier's appeals process, if any, and the person or health care provider contests the final decision by the carrier. The person or health care provider shall apply to the department within 60 days of the date the final decision was issued by the carrier in a manner determined by the commissioner.

b. As part of the application, the covered person or health care provider shall provide the department with:

- (1) The name and business address of the carrier;
- (2) A brief description of the covered person's medical condition for which benefits were denied, reduced, or terminated;
- (3) A copy of any information provided by the carrier regarding its decision to deny, reduce, or terminate the benefit; and
- (4) A written consent to obtain any necessary medical records from the carrier and, in the case of a carrier which offers a managed care plan, any other out-of-network physician the person may have consulted on the matter.

c. (Deleted by amendment, P.L.2025, c.75)

d. Prior to receiving hospital services, a covered person or a person designated by the covered person may sign a consent form authorizing a health care provider acting on the covered person's behalf to appeal a determination by the carrier to deny, reduce, or terminate benefits. The consent is valid for all stages of the carrier's informal and formal appeals process and the Independent Health Care Appeals Program established pursuant to this section. A covered person shall retain the right to revoke his consent at any time.

e. A health care provider shall provide notice to the covered person whenever the health care provider initiates an appeal of a carrier's determination to deny, reduce, or terminate a benefit or deny payment for a health care service based on a medical necessity determination made by the carrier. The health care provider shall provide additional notice to the covered person each time the health care provider continues the appeal to the next stage of an appeals process, including any appeal to an independent utilization review organization pursuant to this section.

2. This act shall take effect immediately.

Approved June 30, 2025.

ASSEMBLY, No. 5810

STATE OF NEW JERSEY 221st LEGISLATURE

INTRODUCED JUNE 27, 2025

Sponsored by:

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex and Hudson)

Assemblywoman MARGIE DONLON, M.D.

District 11 (Monmouth)

Assemblywoman ROSAURA "ROSY" BAGOLIE

District 27 (Essex and Passaic)

Senator JOHN F. MCKEON

District 27 (Essex and Passaic)

Senator ANGELA V. MCKNIGHT

District 31 (Hudson)

Co-Sponsored by:

Assemblyman Freiman, Assemblywomen Drulis and Simmons

SYNOPSIS

Promotes equity in health insurance appeal process.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/30/2025)

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2 insurance carriers and amending P.L.1997, c.192.

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36 care plan, any other out-of-network physician the person may have
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41 provider acting on the covered person's behalf shall bear all costs
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43 person.**】** (Deleted by amendment, P.L. , c. (C.) (pending
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ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5810

STATE OF NEW JERSEY

DATED: JUNE 27, 2025

The Assembly Budget Committee reports favorably Assembly Bill No. 5810.

As reported, this bill eliminates fees for appeals against health insurance carriers pursuant to the Independent Health Care Appeals Program. This bill is in response to the Governor's Fiscal Year 2026 budget recommendations to enact legislation to permanently eliminate fees for consumer appeals against insurance carriers that deny, reduce, or terminate benefits.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.

SENATE, No. 4660

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED JUNE 23, 2025

Sponsored by:

Senator JOHN F. MCKEON

District 27 (Essex and Passaic)

Senator ANGELA V. MCKNIGHT

District 31 (Hudson)

SYNOPSIS

Promotes equity in health insurance appeal process.

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SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4660

STATE OF NEW JERSEY

DATED: JUNE 26, 2025

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 4660.

As reported, this bill eliminates fees for appeals against health insurance carriers pursuant to the Independent Health Care Appeals Program. This bill is in response to the Governor's Fiscal Year 2026 budget recommendations to enact legislation to permanently eliminate fees for consumer appeals against insurance carriers that deny, reduce, or terminate benefits.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 4660
STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JUNE 30, 2025

SUMMARY

Synopsis: Promotes equity in health insurance appeal process.

Type of Impact: Annual reduction in State revenue.

Agencies Affected: Department of Banking and Insurance.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Revenue Reduction	Indeterminate

- The Office of Legislative Services (OLS) determines that the bill result in an indeterminate annual decrease in State revenues based on the elimination of the \$25 fee related to appeals against insurance carriers.
- Existing regulations provide fee waivers for any successful appeal. In additional, participants in Pharmaceutical Assistance to the Aged and Disabled, Medicaid/NJ FamilyCare, General Assistance, Supplemental Security Income, or New Jersey Unemployment Assistance are also granted fee waivers. The revenue decrease could be estimated as the average annual number of unsuccessful appeals, adjusted for membership in excluded programs, multiplied by \$25. The OLS does not have access to the historical appeals data required to make an accurate estimate.

BILL DESCRIPTION

This bill eliminates fees for appeals against health insurance carriers pursuant to the Independent Health Care Appeals Program. This bill is in response to the Governor’s Fiscal Year 2026 budget recommendations to enact legislation to permanently eliminate fees for consumer appeals against insurance carriers that deny, reduce, or terminate benefits.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that the bill will result in an indeterminate annual decrease in State revenues based on the elimination of the \$25 fee related to appeals against insurance carriers.

Existing regulations provide for a fee waiver for any successful appeal. The fee is also waived for any participant in Pharmaceutical Assistance to the Aged and Disabled, Medicaid/NJ FamilyCare, General Assistance, Supplemental Security Income, or New Jersey Unemployment Assistance. Given these exceptions, the potential reduction to State revenue is limited to a subset of unsuccessful appeals. The revenue decrease could be estimated as the average annual number of unsuccessful appeals, adjusted for membership in excluded programs, multiplied by \$25. The OLS does not have access to the historical appeals data required to make an accurate estimate.

Section: *Commerce, Labor and Industry*
Analyst: *John Gaudio*
 Associate Fiscal Analyst
Approved: *Thomas Koenig*
 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.).

Bills Gov Acted On

Posted on - 06/30/2025

The Governor has acted on the following bills:

BILL SIGNINGS:

S-4620/A-5879 (McKnight, Mukherji/McCann Stamato) - Amends Fiscal Year 2025 annual appropriations act to assign distribution of Old Courthouse asbestos remediation funding from Hudson County to Jersey City

S-2788wGR/A-4569 (Cruz-Perez, Turner/Freiman, Katz, Simmons) - Appropriates \$128.241 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for farmland preservation purposes

A-5100/S-3991 (Rodriguez/Stack) - Re-appropriates unexpended balance of FY 2024 appropriation for Town of West New York to support recreation center; appropriates \$3 million for Town of West New York – Recreation Center to restore lapsed FY 2024 funding

A-5807/S-4655 (Pintor Marin/Sarlo) - Makes FY2025 supplemental appropriations of \$142,615,000; adds various language provisions to FY2025 Appropriations Act

A-5803/SCS for S-3064 (Bagolie/McKeon, Turner) - Modifies tax on certain forms of online gaming and wagering

ACS for A-4455/SCS for S-4503 (Freiman, Schaer, Karabinchak /Sarlo, Mukherji) - Allows exemption from New Jersey gross income of certain capital gains from sale or exchange of qualified small business stock

A-5805/SCS for S-4659 and 4661 (Venezia/Sarlo, Vitale) - Modifies tax rate on certain nicotine products

A-5804/S-4666 (Reynolds-Jackson/Wimberly) - Modifies payer of additional fees and taxes imposed on certain real property transfers; modifies fees and taxes imposed on property transfers valued over \$2 million

A-5809/S-4656 (Murphy/Vitale) - "Healthcare Finance Enhancement Act"

S-3189/A-2365 (Zwicker, Sarlo/Tully, Murphy, DePhillips) - Makes various changes to “New Jersey Angel Investor Tax Credit Act” and Technology Business Tax Certificate Transfer Program; repeals “New Jersey Ignite Act”

S-4654/A-5878 (Scutari, A.M. Bucco/Schnall, Inganamort) - Provides for publication of required legal notices on government Internet websites and through certain online news publications

A-5801/S-4692 (Freiman/Sarlo) - Appropriates \$247,128,000 from “New Jersey Debt Defeasance and Prevention Fund”; establishes process for authorizing future appropriations for debt defeasance and capital projects

(BUDGET BILL – w/Rev Cert. LIV, Summary)

BILL VETOED:

[S-2026/A-5800](#) (Sarlo/Pintor Marin, Park) – w/LINE ITEM Appropriates \$58,782,119,000 in State funds and \$31,007,261,743 in federal funds for the State budget for fiscal year 2026

BILL SIGNINGS:

A-5810/S-4660 (Pintor Marin, Dolon, Bagolie/McKeon, McKnight) - Promotes equity in health insurance appeal process

S-4632/A-5812 (Scutari, Ruiz/Schaer) - Establishes grant program in DOE for public schools to purchase and install point-of-use filtered bottle-filling stations and filtered faucets

S-3618/A-4926 (Smith, Greenstein/Calabrese, Tully, Haider) - Directs DEP and DOT to establish “Wildlife Corridor Action Plan”

S-3933/A-5075 (Ruiz, McKnight/Swain, Morales, Bagolie) - Establishes School Supervisor Mentorship Pilot Program; appropriates \$500,000

A-5077/S-4375 (Morales, Bagolie, Carter/Ruiz, Zwicker) - Extends statutory pause on collection of student growth objective data

A-5795/S-4619 (Pintor Marin, Freiman, Drulis/Zwicker) - Modifies certain provisions of "New Jersey Innovation Evergreen Act"

S-4618/A-5827 (Mukherji, Gopal/Pintor Marin, Peterpaul, Donlon) - Modifies certain requirements and award availability under film and digital media content production tax credit program

S-4122/A-5257 (Burzichelli/Stanley, Egan) - Revises apportionment of State lottery contributions

Governor Murphy Signs Legislation Eliminating Barriers for Consumers in Health Insurance Appeals Process

Posted on - 06/30/2025

TRENTON – Governor Phil Murphy today signed legislation to permanently eliminate fees consumers were required to pay when they appealed their health insurance carrier’s decisions under the Independent Health Care Appeals Program, marking another step forward in ensuring residents receive proper health coverage under their plan.

The legislation is in response to the Governor’s Fiscal Year 2026 budget recommendation to enact legislation to permanently eliminate fees for consumer appeals under the Independent Health Care Appeals Program against insurance carriers that deny, reduce, or terminate their benefits.

“Consumers have a right to fully utilize their health insurance. By permanently eliminating this fee, we are making it easier for New Jerseyans to access an independent appeals process to ensure they are receiving appropriate health coverage,” **said Governor Murphy**. “This action is part of our continuing efforts to safeguard consumer rights and ensure residents have a voice in their coverage decisions.”

The [Independent Health Care Appeals Program](#) is an external review program administered by the Department of Banking and Insurance for the purpose of reviewing adverse decisions made by carriers to pay a claim or to authorize a service or supply. The right to an external review of an appeal is mandated by the New Jersey Health Care Quality Act.

“The Murphy Administration continues to stand up for greater consumer protections in accessing health care,” **said New Jersey Department of Banking and Insurance Commissioner Justin Zimmerman**. “Eliminating fees for independent appeals of health insurer decisions removes a barrier for consumers to challenge insurer decisions and promotes equity in the appeal process.”

More than 800 carrier decisions were overturned or modified through the Independent Health Care Appeals Program process in 2024. Today’s action makes the program more accessible to eligible New Jersey residents. The program provides a covered person with the right to appeal a carrier’s denial, limitation, or termination of a covered service on the grounds that it is not medically necessary. If all or part of the decision by an Independent Utilization Review Organization (IURO) is in favor of the covered person, the carrier is required to provide coverage for the healthcare services found to be medically necessary within ten business days. To take advantage of the Independent Health Care Appeals Program, New Jersey consumers must first complete the appeal process with their health insurer directly. Consumers in the individual, small employer, or the fully insured large employer health insurance markets, or covered by NJFamilyCare, are eligible to request an appeal through the program.

This measure builds upon previously enacted consumer protections, [signed by Governor Murphy](#), aimed at ensuring greater transparency for health insurers' prior authorization process. Following the enactment of the law, the [Department issued a bulletin](#) advising carriers of the new requirements and standards for authorization and prior authorization of health care services.

Prime sponsors of the legislation, [A5810/S4660](#), include Senators John McKeon and Angela McKnight and Assemblywoman Eliana Pintor Marin.

"We strive to bring equitable access to healthcare to everyone throughout our state, regardless of their income. This bill recognizes that even a \$25 filing fee can be a significant barrier for too many New Jersey residents," **said Senator John McKeon**. "By eliminating this burden, we can ensure that all consumers can immediately seek an independent review of their denial without the added stress of a financial roadblock."

"Facing a denied insurance claim or the loss of benefits can be overwhelming. The appeals process offers an important avenue for individuals to challenge those decisions and potentially restore their coverage. By eliminating the fee for an appeal review, we're breaking down financial barriers and empowering more people to stand up for their health and well-being," **said Senator Angela V. McKnight**.

Governor Murphy Signs Fiscal Year 2026 Budget into Law

Posted on - 06/30/2025

Budget Builds on Governor Murphy's Historic Record of Fiscal Responsibility – With a \$6.7 Billion Surplus to Help Weather Future Financial Challenges Compared to Just \$409 Million Surplus Inherited in 2018

Budget Provides An All-Time High Level of Property Tax Relief, the Highest Level of School Funding in History, and a Fifth Consecutive Full Pension Payment

Budget Makes Historic Investments in Women's Health Care and Provides Funding to Fully Modernize NJ TRANSIT's Fleet

TRENTON – Governor Phil Murphy today signed into law the Fiscal Year 2026 Appropriations Act, marking a culmination of the Murphy Administration's longstanding commitment to fiscal responsibility, affordability, and opportunity. Over nine budgets spanning nearly eight years in office, Governor Murphy has presided over sustained economic growth while making long overdue investments in addressing the needs of working New Jerseyans, from property tax relief, to school funding, to restoring funding for the State's pension systems.

The \$58.78 billion Fiscal Year 2026 (FY2026) budget, which was passed by the Legislature earlier today, redirects over 75 percent of the total budget back into our communities in the form of grants-in-aid for property tax relief, social services, higher education, as well as State aid to schools, municipalities, and counties. The budget includes an all-time high level of direct property tax relief for homeowners and renters, yields the highest level of school funding in history, and delivers a fifth consecutive full pension payment. It also prioritizes quality health services for women and families, and it invests in beginning to fully modernize NJ TRANSIT's fleet.

Upon taking office, Governor Murphy inherited a \$409 million surplus from his predecessor. Eight years later, the Governor will leave his successor with a surplus 16 times greater than that amount—\$6.7 billion.

"This budget exemplifies our dedication to fiscal responsibility, affordability, and opportunity for all New Jerseyans," **said Governor Murphy**. "Over nearly eight years in office, we have maintained a steadfast commitment to building a stronger and fairer New Jersey and righting our fiscal ship. I'm proud that this budget caps off an eight-year journey to turn our state around and delivers greater economic security and opportunity to every family. With the help of our legislative partners, we are moving New Jersey toward a brighter future for every child, student, worker, parent, and senior citizen who calls our great state home."

"The budget upholds our administration's promise to make sure that New Jersey remains the best state in the nation to live, work, raise a family, and retire," **said Lieutenant Governor Tahesha Way**. "Over the past seven and a half years, we have made historic strides in making our state more affordable for hardworking residents and families through expanded tax relief and major investments in affordable housing, social services, and

education. This state budget is a direct result of the strong collaboration between Governor Murphy, Treasurer Muoio, and legislative leadership.”

“This budget is the culmination of a nearly eight-year effort to improve conditions for all New Jerseyans, building a fiscally stronger state that is more affordable for all,” **said State Treasurer Elizabeth Maher Muoio.** “As always, this budget could not have been completed without the hard work of my staff at the Department of the Treasury and particularly the folks at the Office of Management and Budget and the Office of Revenue and Economic Analysis. I want to thank all of them for their tireless work, dedication, and exemplary professionalism over the past seven and a half years.”

“This is a fiscally responsible budget that puts New Jersey families first. At a time when working people are being left behind by misguided decisions in Washington, we’re making smart, strategic investments that deliver meaningful support, especially through historic property tax reductions, strong funding for public education, higher education, healthcare, transit, and a full pension payment,” **said Senate President Nick Scutari, Senate Majority Leader M. Teresa Ruiz and Senator Paul Sarlo, Chair of the Senate Budget Committee.** “We’re grateful to Governor Murphy and our colleagues in the Legislature for coming together to enact a disciplined, forward-looking budget that safeguards essential services, expands opportunity, and reinforces New Jersey’s long-term fiscal strength.”

Fiscal Responsibility

The budget once again provides a full payment to the pension systems. This year’s \$7.2 billion payment marks the fifth year in a row Governor Murphy has fully funded the systems. Total pension contributions by the Murphy Administration are on track to exceed \$47 billion – nearly four times the \$12.2 billion in total contributions of the previous six governors combined.

With an eye toward ensuring New Jersey remains prepared for the future, this budget provides a surplus of \$6.7 billion, more than ten times larger than the average surplus under the previous administration.

Additionally, the budget includes \$788 million in funding from the Corporate Transit Fee dedicated to support NJ TRANSIT and builds upon \$1.358 billion in interest saved by taxpayers over the last four years by paying down debt and minimizing new debt taken on.

The budget also includes several tax policy changes, including increases for the highest tier of realty transfer fees, sports betting, and cigarettes and vaping, as well as a new exemption for small business investment and reforms to the Angel Investor Tax Credit.

These changes, along with the cuts in appropriations, help ensure that revenues are more closely in line with expenditures.

Affordability and Economic Security

Continuing efforts to make New Jersey affordable for all, this budget includes nearly \$4.3 billion in direct property tax relief for New Jersey homeowners and renters, including \$2.4 billion for the continuation of the popular ANCHOR program, which last year delivered more than \$2.2 billion in property tax relief to nearly two million residents. The budget also continues the Senior Freeze program, with a \$239 million allocation to benefit more than 235,000 taxpayers.

The budget also includes additional funding for the landmark Stay NJ program, allocating \$600 million in

resources to significantly reduce property taxes for more than 432,000 senior homeowners. Stay NJ is expected to launch for the 2025 tax season and will reimburse eligible seniors for up to 50 percent of their property tax bills.

Continuing the focus on making the state more affordable for working and middle-class families, the budget maintains recent expansions of the Earned Income Tax Credit, the Child and Dependent Care Tax Credit, and the Child Tax Credit.

The tax relief included in this budget brings the total relief provided by the Murphy Administration and our partners in the Legislature to more than double any prior administration.

Continuing efforts to provide quality health services for all, a top priority of this administration, the budget includes \$165 million for the continuation of Cover All Kids; \$55.4 million for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold programs, helping more than 149,000 seniors and residents with disabilities; \$52 million for family planning services and reproductive health programs; and \$35.8 million for Family Connects NJ, which has provided nearly 2,500 free in-home nurse visits to families with newborns and is now available in 11 counties; and \$52 million for family planning services and reproductive health programs.

The proposal also includes \$10 million for a new initiative to provide State employees with full pay while they take family leave to care for a newborn, adopted, or fostered child.

Supporting the Next Generation of New Jerseyans

Last year, Governor Murphy became the first Governor to fully fund the K-12 school funding formula. This budget builds on that commitment, providing record-high school funding in FY2026. The budget includes a record \$12.1 billion for K-12 schools, a nearly \$4 billion increase since FY2018. This budget also addresses feedback from school districts by capping losses in major school aid categories and reducing input volatility, ensuring no district sees a steep reduction in aid from one year to the next. A district's K-12 State aid will not decrease by an amount greater than 3% of the prior year's State aid in the four primary categories: equalization, special education, security, and transportation.

The budget also proposes \$7.5 million in new grant funding to support districts in providing high-impact tutoring to students in need of extra academic support, as well as \$3 million in incentive grants for schools that want to go entirely phone-free, giving students the best opportunity to learn without distraction.

Continuing the push for universal pre-school throughout New Jersey, the FY2026 budget proposes \$1.27 billion for Preschool Education Aid. Since 2018, the Murphy Administration has expanded pre-K to 229 school districts and created nearly 20,000 new seats.

Building New Jersey's Future

In an effort to fortify our transportation infrastructure, this budget includes \$1.23 billion for critical investments in State and local highway and bridge projects, and another \$767 million for NJ TRANSIT to begin to fully modernize its fleet.

To ensure stability and future success for New Jersey's institutions of higher education, this budget provides \$755.2 million in institutional support for State colleges and universities, as well as \$169.1 million for county colleges and \$8.6 million for independent institutions of higher education in New Jersey. This totals \$932.9 million, a nearly 50% increase over the \$629.6 million in funding provided in FY2018.

The budget agreement also provides for \$250 million in bonding for capital grants to higher education institutions. This builds on the \$400 million in capital grants announced in 2023.

The budget also sets aside \$222 million from the Debt Defeasance and Prevention Fund for a critical investment in the construction of a new correctional facility to replace the Edna Mahan Correctional Facility for Women.

An additional one-page policy summary on the central commitments of the FY2026 budget can be found online [here](#).

Governor Murphy signed the Appropriations Act into law today:

S-2026/A-5800 (Sarlo/Pintor Marin, Park) – w/LINE ITEM Appropriates \$58,782,119,000 in State funds and \$31,007,261,743 in federal funds for the State budget for fiscal year 2026

[Line Item Veto Message](#)

[Line Item Veto Summary](#)

[Revenue Certification](#)

In addition to the Appropriations Act, Governor Murphy also signed the following bills into law today:

S-4620/A-5879 (McKnight, Mukherji/McCann Stamato) - Amends Fiscal Year 2025 annual appropriations act to assign distribution of Old Courthouse asbestos remediation funding from Hudson County to Jersey City

S-2788wGR/A-4569 (Cruz-Perez, Turner/Freiman, Katz, Simmons) - Appropriates \$128.241 million from constitutionally dedicated CBT revenues to State Agriculture Development Committee for farmland preservation purposes

A-5100/S-3991 (Rodriguez/Stack) - Re-appropriates unexpended balance of FY 2024 appropriation for Town of West New York to support recreation center; appropriates \$3 million for Town of West New York – Recreation Center to restore lapsed FY 2024 funding

A-5807/S-4655 (Pintor Marin/Sarlo) - Makes FY2025 supplemental appropriations of \$142,615,000; adds various language provisions to FY2025 Appropriations Act

A-5803/SCS for S-3064 (Bagolie/McKeon, Turner) - Modifies tax on certain forms of online gaming and wagering

ACS for A-4455/SCS for S-4503 (Freiman, Schaer, Karabinchak /Sarlo, Mukherji) - Allows exemption from New Jersey gross income of certain capital gains from sale or exchange of qualified small business stock

A-5805/SCS for S-4659 and 4661 (Venezia/Sarlo, Vitale) - Modifies tax rate on certain nicotine products

A-5804/S-4666 (Reynolds-Jackson/Wimberly) - Modifies payer of additional fees and taxes imposed on certain real property transfers; modifies fees and taxes imposed on property transfers valued over \$2 million

A-5809/S-4656 (Murphy/Vitale) - "Healthcare Finance Enhancement Act

S-3189/A-2365 (Zwicker, Sarlo/Tully, Murphy, DePhillips) - Makes various changes to "New Jersey Angel Investor Tax Credit Act" and Technology Business Tax Certificate Transfer Program; repeals "New Jersey Ignite Act"

S-4654/A-5878 (Scutari, A.M. Bucco/Schnall, Inganamort) - Provides for publication of required legal notices on government Internet websites and through certain online news publications

A-5801/S-4692 (Freiman/Sarlo) - Appropriates \$247,128,000 from "New Jersey Debt Defeasance and Prevention Fund"; establishes process for authorizing future appropriations for debt defeasance and capital projects

A-5810/S-4660 (Pintor Marin, Dolon, Bagolie/McKeon, McKnight) - Promotes equity in health insurance appeal process

S-4632/A-5812 (Scutari, Ruiz/Schaer) - Establishes grant program in DOE for public schools to purchase and install point-of-use filtered bottle-filling stations and filtered faucets

S-3618/A-4926 (Smith, Greenstein/Calabrese, Tully, Haider) - Directs DEP and DOT to establish "Wildlife Corridor Action Plan"

S-3933/A-5075 (Ruiz, McKnight/Swain, Morales, Bagolie) - Establishes School Supervisor Mentorship Pilot Program; appropriates \$500,000

A-5077/S-4375 (Morales, Bagolie, Carter/Ruiz, Zwicker) - Extends statutory pause on collection of student growth objective data

A-5795/S-4619 (Pintor Marin, Freiman, Drulis/Zwicker) - Modifies certain provisions of "New Jersey Innovation Evergreen Act"

S-4618/A-5827 (Mukherji, Gopal/Pintor Marin, Peterpaul, Donlon) - Modifies certain requirements and award availability under film and digital media content production tax credit program

S-4122/A-5257 (Burzichelli/Stanley, Egan) - Revises apportionment of State lottery contributions

Assemblywomen Donlon and Peterpaul Announce 13 Bills Signed Into Law This Summer

TINTON FALLS - The Governor signed 13 of Assemblywoman Margie Donlon and Assemblywoman Luanne Peterpaul's bills into law this summer.

Either Assemblywoman Donlon or Assemblywoman Peterpaul, or both, and Senator Vin Gopal, (D-Monmouth) were the prime sponsors of four of the bills and cosponsors of the remaining nine.



"Many of these bills support small businesses and protect consumers. They reflect the concerns that Legislative District 11 residents tell us are important to them, such as utility costs, as we travel around the district talking to businesses and residents," said Assemblywoman Peterpaul.

The bills on which the Assemblywomen were primary sponsors include A5768, which requires the BPU to revise community solar program targets and directs the agency to open registration by October 1, 2025 for an additional 3,000 megawatts of community solar projects. Senator Gopal was a primary sponsor of the Senate version. Another of their bills, A5141, establishes an historic distillery license to allow the manufacturing and consumption of distilled alcoholic beverages on-and-off premises under certain circumstances by a licensee on the NJ Register of Historic Places. Senator Gopal also was a primary sponsor.

"Our sponsored bills also address healthcare concerns, which are a top priority for the LD11 office, and ensure healthcare insurance is more accessible and affordable," said Donlon, who is a physician and primary sponsor of A5810, which promotes equity in the health insurance appeal process. "This bill eliminates fees for appeals against health insurance carriers that deny, reduce, or terminate benefits."

Assemblywoman Donlon and Senator Gopal also were primary sponsors of A5199, a new law that requires eligible resident and fellow physicians employed by Rutgers University, including University Hospital, and their dependents, receive coverage in the State Health Benefits Plan (SHBP) on the first day of employment.

"This legislation corrects a situation that resulted in these healthcare professionals working in hospital environments, where they are exposed to diseases, infections and other dangers, but didn't have health coverage for a period of time," Gopal said.

The LD11 legislators also cosponsored nine other bills that became the law since June 30 of this year. These bills include:

[A5792](#) - Provides for workers' compensation coverage of certain counseling services for first responders and ensures that mental health-related communications are confidential.

[A5687](#) - Establishes the "Next New Jersey Manufacturing Program" to incentivize in-state manufacturing investments and job creation.

[A5466](#) - Requires the BPU to study the effects of data centers on electricity costs.

[A5463](#) - Requires electric public utilities to submit an annual report on voting to the BPU.

[A5447](#) - Prohibits the sweepstakes model of wagering; establishes new penalties for unlawful gambling operations and practices; directs Division of Consumer Affairs and Division of Gaming Enforcement to enforce penalties.

[S4567](#) - Appropriates \$107,999,000 from constitutionally dedicated Corporate Business Tax revenues and various Green Acres funds to the DEP to make grants to local governments for open space acquisition, park development, and planning projects.

[S4476](#) - Permits awarding of contracts for certain preschool education services by resolution of the board of education; extends the maximum length of preschool education services contracts to three years. Senator Gopal was a primary sponsor in the Senate.

[S3910](#) - Makes various changes to the provision of preschool aid and facilities requirements; establishes Universal Preschool Implementation Steering Committee; requires full-day kindergarten in all school districts.

[S3711](#) - Makes annual allocations of \$500,000 from the Clean Communities Program Fund for public outreach concerning single-use plastics reduction programs permanent.