

Resolution Urging Relief from Rising Public School Employee Health-Care Costs

WHEREAS, at a time of continued fiscal uncertainty and mounting challenges, local boards of education from across the state of New Jersey continue to suffer under the growing crisis posed by the rising cost of health benefits and are desperate for relief; and

WHEREAS, despite record levels of state investments in public education, these school districts are facing fiscal pressures similar to those confronting the state budget, including the unsustainable growth in health-care premiums and the mounting insolvency of the state's public employees health benefits programs; and

WHEREAS, both within the School Employees' Health Benefits Program (SEHBP) and the private market (self-insured), year-over-year double-digit increases are placing tremendous strain on district budgets and local taxpayers alike; and

WHEREAS, Governor Sherrill and legislative leadership have publicly acknowledged the urgent need to address rising health-care costs and the challenges facing the state's health benefits plans and self-insured districts, including both the state and local portions of the State Health Benefits Program, the SEHBP and self-insured; and

WHEREAS, the seriousness of this issue is underscored by the mid-year SEHBP analysis released by the Treasury Department in March 2026, which concluded that "based on these projected losses and building in future trends, active premium rate increases for 2027 are likely to be in the double digits;" and

WHEREAS, these projected increases would follow the 31.9 percent premium increase that took effect in January 2026, further exacerbating an overall premium increase of nearly 74 percent in the preceding five years; and

WHEREAS, this growth in health-care costs far exceeds inflation, state aid increases and the fiscal capacity of local communities; and

WHEREAS, rising health-care premiums are consuming an ever-larger portion of already constrained school district budgets, forcing difficult decisions that directly affect students, staff and educational quality; and

WHEREAS, these cost pressures also have significant consequences for taxpayers, as districts are often compelled to utilize the full extent of their available tax levy, even after which many districts remain unable to fully offset these increases due to the constraints of the property tax levy cap, despite the limited health-care exception; and

WHEREAS, for the families and students these districts serve, the downstream consequences — including district deficits, program cuts and school closures — mean the loss of

community stability, continuity of services, and in many cases, access to the specialized supports that our most vulnerable students depend on; and

WHEREAS, these are also precisely the conditions that erode student achievement and weaken the family engagement that is central to strengthening New Jersey's public schools; and

WHEREAS, implementing real, sustainable solutions to the rising cost of health benefits and reforming how benefits are delivered through the SEHBP and self-insured would demonstrate the Governor's and Legislature's leadership and continued commitment to New Jersey's students, educators and families, which directly advances our shared goal of affordability and effective, efficient government for all New Jerseyans.

NOW, THEREFORE, BE IT RESOLVED, that the Township of Union Board of Education, in the County of Union calls upon the Governor and State Legislature to provide immediate, short-term relief from the unsustainable increased health-care costs experienced by school districts in recent years; and

BE IT FURTHER RESOLVED, that the Township of Union Board of Education, in the county of Union urges the Governor to engage in meaningful engagement with all affected stakeholders to develop and implement practical long-term reforms to the state's system and assist the self-insured of delivering health care to its public employees in order to generate meaningful, long-term savings; and

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to Governor Mikie Sherrill, State Treasurer Aaron Binder, Senate President Nicholas Scutari, Assembly Speaker Craig Coughlin, Senator Joseph Cryan, Assemblywoman Annette Quijano, Assemblyman Ed Rodriguez and the New Jersey School Boards Association.

Approved by the Board of Education this 19th day of May, 2026.

TOWNSHIP OF UNION BOARD OF EDUCATION

Yolanda Koon, School Business
Administrator/Board Secretary