

**SCHOOL DISTRICT OF SOUTH ORANGE AND MAPLEWOOD, NJ  
PUBLIC BOARD MEETING  
MAY 21, 2026**

**FOR ACTION**

**RESOLUTION        4981**

**SUBJECT:            APPROVE: 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, school districts are facing fiscal pressures similar to those confronting the state budget, including the unsustainable growth in health-care premiums and the broader instability in the public employee health benefits landscape; and

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

**WHEREAS**, Even school districts that have pursued alternative insurance arrangements or transitioned from the SEHBP continue to face rapidly escalating health-care costs that threaten long-term fiscal sustainability and operational stability; and

**WHEREAS**, Access to high-quality and affordable health benefits remains essential to recruiting and retaining the dedicated educators and staff who serve New Jersey's students; 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, including both the state and local portions of the State Health Benefits Program and the SEHBP; 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 and sustainable solutions to rising health-care costs, while improving the affordability, predictability and long-term sustainability of public employee health-care systems, would demonstrate the Governor's and

Legislature's continued commitment to New Jersey's students, educators, families and taxpayers, and would advance the shared goal of affordability and effective, efficient government for all New Jerseyans.

**NOW, THEREFORE, BE IT RESOLVED**, that the South Orange-Maplewood Board of Education in the county of Essex 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 South Orange-Maplewood Board of Education in the County of Essex urges the Governor and Legislature to engage collaboratively with school districts, employee representatives and other stakeholders to develop and implement practical long-term strategies that improve the affordability, predictability and sustainability of public employee health-care costs statewide while maintaining access to quality benefits for public employees; 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 Renee Burgess, Assemblywoman Cleopatra Tucker, Assemblyman Chigozie Onyema, and the New Jersey School Boards Association.