

[Second Reprint]

## **ASSEMBLY, No. 301**

# **STATE OF NEW JERSEY**

## **217th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

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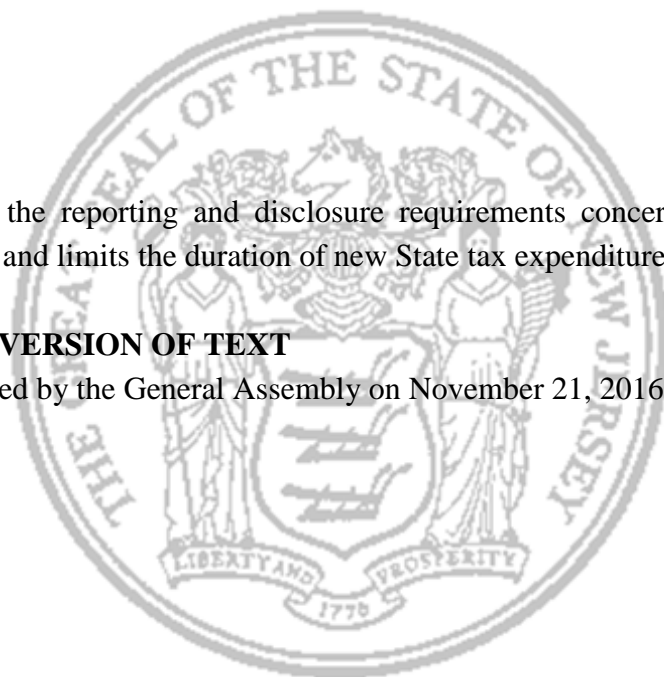
**Assemblywoman Pinkin, Assemblyman Coughlin, Assemblywoman Lampitt, Assemblyman McKeon, Assemblywomen Muoio, Jones, Downey and Handlin**

**SYNOPSIS**

Enhances the reporting and disclosure requirements concerning State tax expenditures and limits the duration of new State tax expenditure enactments.

**CURRENT VERSION OF TEXT**

As amended by the General Assembly on November 21, 2016.



(Sponsorship Updated As Of: 6/6/2017)

1 AN ACT enhancing the reporting and disclosure requirements  
 2 concerning State tax expenditures and limiting the duration of  
 3 State tax expenditure enactments, amending P.L.2009, c.189,  
 4 amending and supplementing P.L.2007, c.200, and  
 5 supplementing Title 1 of the Revised Statutes.

6

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

9

10 1. Section 1 of P.L.2009, c.189 (C.52:27B-20a) is amended to  
 11 read as follows:

12 1. a. In addition to the requirements of section 11 of article 3  
 13 of P.L.1944, c.112 (C.52:27B-20), and any other provisions of law,  
 14 the Governor's budget message transmitted annually to the  
 15 Legislature shall include a State tax expenditure report setting forth  
 16 estimates of the tax expenditures under existing State law for the  
 17 last completed fiscal year, the current fiscal year and the fiscal year  
 18 to which the budget message applies. The tax expenditures report  
 19 shall take into account projected economic factors, and any changes  
 20 in State tax expenditures as may be enacted or reasonably expected  
 21 to be enacted for any fiscal year.

22 b. The State tax expenditures report shall:

23 (1) list each State tax expenditure,

24 (2) identify the statutory authority for each State tax  
 25 expenditure, and the year in which it was enacted or the tax year or  
 26 tax period in which it became effective,

27 (3) describe the **【objective of】** specific goals, purposes, and  
 28 objectives that each State tax expenditure will achieve based upon  
 29 the stated intent of the Legislature. In the absence of a stated intent  
 30 of the Legislature, the Governor, at the Governor's discretion, shall  
 31 determine the goals, purposes, and objectives of the State tax  
 32 expenditure,

33 (4) detail in columnar enumeration for each State tax  
 34 expenditure an estimate of the amount of State revenue loss for the  
 35 last completed fiscal year, the current fiscal year and the fiscal year  
 36 to which the budget message applies,

37 (5) determine through detailed performance indicators whether  
 38 each State tax expenditure has been effective in achieving the  
 39 **【purpose】** specific goals, purposes and objectives as set forth in  
 40 statute, administrative regulation, or other public document for  
 41 which the tax expenditure was enacted and currently serves,  
 42 including an analysis of the persons, including corporations,  
 43 individuals or other entities, benefited by the expenditure,

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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly ABU committee amendments adopted October 13, 2016.

<sup>2</sup>Assembly floor amendments adopted November 21, 2016.

1 (6) evaluate, based on publicly available measurement data, the  
2 effect of each State tax expenditure on the fairness and equity of the  
3 distribution of the tax burden,

4 (7) describe the data collection and reporting requirements  
5 imposed upon the persons, including corporations, individuals or  
6 other entities benefited by the expenditure to assist in making the  
7 determination required by paragraph (5) of this subsection, which  
8 shall include the specific data and baseline measurements to be  
9 collected and remitted in each year the State tax expenditure is in  
10 effect, necessary to measure any change in performance indicators,  
11 and the specific taxpayers, State departments, agencies, independent  
12 authorities, or other entities required to collect and remit data, and

13 (8) the public and private costs of administering the State tax  
14 expenditures.

15 c. As used in this section:

16 "State tax expenditure" means those revenue losses attributable  
17 to provisions of State tax law which <sup>2</sup>~~establish special tax~~  
18 ~~treatment~~ deviate from the normal tax structure<sup>2</sup>, including but not  
19 limited to tax law definition, deduction, exclusion, exemption,  
20 deferral, credit or transfer certificate, preferential tax rate or other  
21 special tax provision resulting in a reduced tax liability for certain  
22 persons, individuals, types of income, transactions or property from  
23 the liability which would be presumed to exist without the State tax  
24 expenditure.

25 d. The Division of Taxation in the Department of the Treasury  
26 shall advise and assist the Governor in the preparation of the State  
27 tax expenditure report.

28 (cf: P.L.2009, c.189, s.1)

29  
30 2. Section 3 of P.L.2007, c.200 (C.52:39-3) is amended to read  
31 as follows:

32 3. For the purposes of this act:

33 **["Corporate parent" means either: a person, association,**  
34 **corporation, joint venture, partnership, or other business entity, that**  
35 **owns or controls 50% or more of a recipient corporation; or the**  
36 **recipient corporation itself, if no other person, association,**  
37 **corporation, joint venture, partnership, or other entity, owns or**  
38 **controls 50% or more of the recipient corporation. ]**

39 "Date of development subsidy" means the initial date that a  
40 granting body provides the monetary value of a development  
41 subsidy to a recipient **["corporation"]** entity provided, however, that  
42 if the development subsidy is for the installation of new equipment,  
43 the date shall be the date the recipient **["corporation"]** entity puts the  
44 equipment into service and provided, further, that if the  
45 development subsidy is for improvements to property, the date shall  
46 be the date the improvements are finished or the date the recipient  
47 **["corporation"]** entity occupies the property, whichever is earlier.

1 "Development subsidy" means the authorizing of the provision  
2 or providing to a recipient **【corporation】** entity of an amount of  
3 funds by or from a public body with a value of not less than  
4 **【\$25,000】** \$100,000 for the purpose of stimulating economic  
5 development in New Jersey, including, but not limited to, any bond,  
6 grant, loan, loan guarantee, matching fund or any tax expenditure.  
7 "Development subsidy" does not refer to any contract under which a  
8 public body purchases or otherwise procures goods, services or  
9 construction on an unsubsidized basis, including any contract solely  
10 for the construction or renovation of a facility owned by a public  
11 body. "Development subsidy" does not mean any authorizing or  
12 providing of funds by or from a public body to a recipient  
13 **【corporation】** entity, including by means of a tax expenditure, for  
14 the exclusive purpose of the development or production of  
15 affordable housing, for the exclusive purpose of subsidizing site  
16 remediation, recycling, commuter transportation assistance,  
17 pollution reduction, energy conservation or other programs to  
18 improve the environment, or for the exclusive purpose of providing  
19 benefits to employees of the recipient **【corporation】** entity.  
20 "Development subsidy" does not mean any authorizing or providing  
21 of funds by or from a public body to a non-profit organization,  
22 including by means of a tax expenditure, for the exclusive purpose  
23 of subsidizing the development of facilities used to provide  
24 recreational, educational, arts or cultural programs or childcare or  
25 healthcare services.

26 "Employee benefits" means the average rate of benefit costs paid  
27 by a recipient **【corporation】** entity to or for its employees,  
28 including, but not limited to, the cost to the recipient **【corporation】**  
29 entity of health care benefits, pension benefits and apprenticeship or  
30 other training and education benefits, but excluding any costs to the  
31 recipient **【corporation】** entity of unemployment compensation,  
32 workers' compensation or temporary disability benefits, Social  
33 Security benefits, or any other employee benefits which the  
34 recipient **【corporation】** entity is required by State or federal law to  
35 pay. "Employee benefits" do not include any payroll deductions or  
36 other costs paid by employees for the benefits.

37 "Full-time job" means a job in which an individual is employed  
38 by a recipient **【corporation】** entity for at least 35 hours per week.

39 "Granting body" means a public body that provides or authorizes  
40 a development subsidy and, in the case of a tax expenditure related  
41 to any tax paid to the State, means the State Treasurer.

42 "Health benefits" means health benefits provided under a group  
43 health plan as defined in section 14 of P.L.1997, c.146 (C.17B:27-  
44 54), a health benefits plan as defined in section 1 of P.L.1992, c.162  
45 (C.17B:27A-17), or a policy or contract of health insurance  
46 covering more than one person issued pursuant to Title 17B of the  
47 New Jersey Statutes.

1     "Parent entity" means either: a person, association, corporation,  
2     joint venture, partnership, or other business entity, that owns or  
3     controls 50% or more of a recipient entity; or the recipient entity  
4     itself, if no other person, association, corporation, joint venture,  
5     partnership, or other entity, owns or controls 50% or more of the  
6     recipient entity.

7     "Part-time job" means a job in which an individual is employed  
8     by a recipient **【corporation】** entity for less than 35 hours per week.

9     "Project site" means the site of a project inside New Jersey for  
10    which any development subsidy is provided.

11    "Public body" or "State" means the State of New Jersey or any  
12    agency, instrumentality or authority of the State, but not a political  
13    subdivision of the State.

14    "Recipient **【corporation】** entity" means any non-governmental  
15    person, association, corporation, joint venture, partnership or other  
16    entity that receives a development subsidy.

17    "Tax expenditure" means <sup>2</sup>**【**the amount of foregone tax  
18    collections due to any abatement, reduction, exemption or credit or  
19    transfer certificate against any State tax, including, but not limited  
20    to, taxes on raw materials, inventories or other assets, taxes on  
21    gross receipts, income or sales, and any use, excise or utility tax.  
22    "Tax expenditure" does not refer to any credit against any tax  
23    liability of an employee or any personal exemption, homestead  
24    rebate, credit or deduction for the expenses of a household or  
25    individual, or other reduction of the tax liability of an individual or  
26    household**】** those revenue losses attributable to provisions of State  
27    tax law which deviate from the normal tax structure, including but  
28    not limited to tax law definition, deduction, exclusion, exemption,  
29    deferral, credit or transfer certificate, preferential tax rate or other  
30    special tax provision resulting in a reduced tax liability for certain  
31    persons, individuals, types of income, transactions or property from  
32    the liability which would be presumed to exist without the tax  
33    expenditure<sup>2</sup>.

34    "Temporary job" means a job for which an individual is hired for  
35    a limited period of time, which shall include all jobs for  
36    construction at the project site.

37    "Value of a development subsidy" means the dollar value of the  
38    development subsidy provided to the recipient **【corporation】** entity.  
39    In the case of a loan or loan guarantee provided by a public body to  
40    a recipient **【corporation】** entity or tax-exempt financing authorized  
41    by a public body, the "value of a development subsidy" means the  
42    amount loaned.

43    (cf: P.L.2007, c.200, s.3)

44  
45    3. Section 4 of P.L.2007, c.200 (C.52:39-4) is amended to read  
46    as follows:

- 1       4. a. Each applicant for a development subsidy shall submit to  
2 the granting body an application for the development subsidy on a  
3 form prepared by the State Treasurer. The information required on  
4 the application, or in supplements accompanying the application,  
5 shall include the following:
- 6       (1) An application tracking number provided by the granting  
7 body;
- 8       (2) The names, street and mailing addresses and phone numbers  
9 of the chief officer of the granting body, the chief officer of the  
10 applicant's **【corporate】** parent entity and the applicant and the street  
11 address and three-digit North American Industry Classification  
12 System number of the project site;
- 13       (3) The start date and the end date, if any, of the development  
14 subsidy;
- 15       (4) A list of all development subsidies that the applicant is  
16 requesting or receiving, the name of any other granting body from  
17 which development subsidies are sought or obtained, the value of  
18 each development subsidy and the aggregate value of all  
19 development subsidies requested or received from all sources;
- 20       (5) A signed certification by the chief officer of the recipient  
21 **【corporation】** entity that the application is accurate and meets the  
22 requirements of this act;
- 23       (6) The total number of individuals employed by the applicant at  
24 the project site on the date of the application, the anticipated  
25 number of jobs that will be retained as a result of the development  
26 subsidy and the number of new jobs to be created by the applicant  
27 at the project site if the development subsidy is granted, broken  
28 down by full-time, part-time and temporary jobs;
- 29       (7) The average annual wage and benefit rates of current  
30 employees and the anticipated average annual wage and benefit  
31 rates of new employees;
- 32       (8) The number of current employees provided health benefits,  
33 and the number of new employees anticipated to be provided health  
34 benefits;
- 35       (9) How many of the current employees and how many of the  
36 anticipated new employees are represented by a collective  
37 bargaining unit;
- 38       (10) The average total number of individuals employed in New  
39 Jersey during the calendar year preceding the submission of the  
40 application by the applicant's **【corporate】** parent entity and all  
41 subsidiaries thereof, broken down by full-time, part-time and  
42 temporary jobs;
- 43       (11) A statement as to whether the development subsidy may  
44 reduce employment at any other site controlled by the applicant or  
45 its **【corporate】** parent entity, inside the State, resulting from  
46 automation, merger, acquisition, corporate restructuring or other  
47 business activity;

1 (12) A statement as to whether or not the project involves the  
2 relocation of work from another address and if so, the number of  
3 jobs to be relocated and the address from which they are to be  
4 relocated; and

5 (13) Any other information deemed useful or necessary by the  
6 State Treasurer for the implementation of this act, including for tax  
7 expenditures, specific data collection and reporting requirements  
8 imposed upon the recipient entity that shall assist the State  
9 Treasurer in providing, as part of the annual budget request of the  
10 Governor, the comprehensive presentation of the State costs of tax  
11 expenditure development subsidies required pursuant to section 5 of  
12 P.L.2007, c.200 (C.52:39-5) and producing the annual Unified  
13 Economic Development Budget Report pursuant to section 6 of  
14 P.L.2007, c.200 (C.52:39-6), which information shall include the  
15 specific data and baseline measurements to be collected and  
16 remitted in each year the tax expenditure is in effect, necessary to  
17 measure any change in performance indicators, and the specific  
18 taxpayers, State departments, agencies, independent authorities, or  
19 other entities required to collect and remit data.

20 b. Any granting body, other than the State Treasurer approving  
21 the application, shall send a copy to the State Treasurer not more  
22 than 15 business days after approval. If the application is not  
23 approved, the granting body shall retain the application.

24 (cf: P.L.2007, c.200, s.4)

25  
26 4. Section 5 of P.L.2007, c. 200 (C.52:39-5) is amended to read  
27 as follows:

28 5. a. Each recipient **【corporation】** entity of a development  
29 subsidy shall file with the granting body, on a form prepared by the  
30 State Treasurer, a progress report no later than 30 business days  
31 after the end of each State fiscal year, beginning with the end of the  
32 first full State fiscal year after the date of the development subsidy,  
33 for the duration of the development subsidy or for five years,  
34 whichever period is longer. The report shall include the following  
35 information for the State fiscal year just ended:

36 (1) The application tracking number, except in the case of a  
37 development subsidy which has no application tracking number  
38 because the development subsidy was in effect prior to the 180th  
39 day after the effective date of this act;

40 (2) The name, street and mailing addresses, phone number and  
41 chief officers of the granting body and the recipient **【corporation】**  
42 entity;

43 (3) A summary of the number of jobs created, retained or lost  
44 inside New Jersey, broken down by full-time, part-time and  
45 temporary jobs, and the average annual rates of pay and benefits;

46 (4) The number of current employees provided health benefits,  
47 and the number of new employees anticipated to be provided health  
48 benefits;

1 (5) The comparison of the total employment in New Jersey by  
2 the **【corporate】** parent entity of the recipient **【corporation】** entity  
3 on the date of the application and the date of the report, broken  
4 down by full-time, part-time and temporary jobs;

5 (6) A statement as to whether the use of the development  
6 subsidy during the previous fiscal year has reduced employment at  
7 any New Jersey site controlled by the recipient **【corporation】** entity  
8 or its **【corporate】** parent entity; and

9 (7) A signed certification by the chief officer of the recipient  
10 **【corporation】** entity that the progress report is accurate.

11 b. Not later than 30 days after the end of the second full State  
12 fiscal year after the date of the development subsidy, the recipient  
13 **【corporation】** entity shall file with the granting body a two-year  
14 progress report, certified by the chief officer of the recipient  
15 **【corporation】** entity, which shall include:

16 (1) The same information as required to be included in reports  
17 filed pursuant to subsection a. of this section;

18 (2) A statement of whether the recipient **【corporation】** entity  
19 has achieved the job creation and retention and wage and benefit  
20 rate goals projected in the recipient **【corporation's】** entity's  
21 application; and

22 (3) If the goals are not met, a full disclosure of the amount of  
23 any shortfall in job creation and retention rates at the project site  
24 inside New Jersey and wage and benefit rates compared to the goals  
25 and compared to job creation and retention goals and wage and  
26 benefit rates projected in the recipient **【corporation's】** entity's  
27 application.

28 c. The granting body shall review each report filed by the  
29 recipient **【corporation】** entity and conduct such further  
30 investigations as may be required to verify or correct the  
31 information in the report and submit the verified or corrected report  
32 to the State Treasurer not later than 30 business days after the report  
33 is filed by the recipient **【corporation】** entity.

34 d. The recipient **【corporation】** entity shall provide the granting  
35 body and the State Treasurer access to the project site and records at  
36 reasonable times as needed to monitor the project and verify the  
37 accuracy of the information provided in reports made by the  
38 recipient **【corporation】** entity. If a recipient **【corporation】** entity  
39 fails to file a report by the required due date, the granting body may  
40 impose an administrative fine of not more than \$500 per day to  
41 commence upon the tenth working day after the due date, and not  
42 more than \$1,000 per day to commence on the twentieth working  
43 day after the due date. If a recipient **【corporation】** entity fails to  
44 provide the required access, the granting body may impose an  
45 administrative fine of not more than \$500 per day to commence  
46 upon the fifth working day that access is denied, and of not more



1 than \$1,000 per day to commence upon the tenth working day that  
2 access is denied.

3 e. A granting body may assess from recipient **【corporations】**  
4 entities whatever fees it determines to be necessary, but in no case  
5 fees greater than 0.25% of the value of a development subsidy if the  
6 development subsidy is a loan provided by the granting body, 0.1%  
7 of the value of the development subsidy if the development subsidy  
8 is a loan guarantee provided by the granting body or tax-exempt  
9 financing authorized by the granting body, or greater than 1.0% of  
10 the value if the development subsidy is not a loan, tax-exempt  
11 financing or loan guarantee, to pay for the costs of the granting  
12 body to carry out its responsibilities under this act, including the  
13 processing of applications for development subsidies, reviewing and  
14 verifying reports of recipient **【corporations】** entities and monitoring  
15 the compliance of recipient **【corporations】** entities with the  
16 requirements of this act, maintaining and making available records  
17 and, in the case of the State Treasurer, producing the annual Unified  
18 Economic Development Budget Report as provided in section 6 of  
19 this act and providing, as part of the annual budget request of the  
20 Governor, a comprehensive presentation of the costs of all  
21 development subsidies to the State.

22 f. <sup>1</sup>【Information obtained from the applications submitted to  
23 granting bodies pursuant to section 4 of P.L.2007, c.200 (C.52:39-  
24 4) and from the progress reports filed pursuant to this section shall  
25 be considered confidential and privileged and neither the granting  
26 body or the Treasurer nor any employee of the granting body or the  
27 Treasurer engaged in the administration or charged with the custody  
28 of any such records or files, nor any former officer or employee, nor  
29 any person who may have secured information therefrom under any  
30 other provision of State law, shall divulge, disclose, use for their  
31 own personal advantage, or examine for any reason other than a  
32 reason necessitated by the performance of official duties any  
33 information obtained from those records or files, or from any  
34 examination or inspection of the premises or property of any  
35 person, trade secrets or commercial or financial information which  
36 is privileged or confidential.】 Neither the granting body or the State  
37 Treasurer, nor any employee of the granting body or the State  
38 Treasurer engaged in the administration or charged with the custody  
39 of any such record or files, nor any former officer or employee, nor  
40 any person who may have secured information, including but not  
41 limited to any trade secrets or commercial or financial information  
42 which is privileged or confidential therefrom under any other  
43 provision of State law, shall divulge, disclose or use for their own  
44 personal advantage information obtained from the applications  
45 submitted to granting bodies pursuant to section 4 of P.L.2007,  
46 c.200 (C.52:39-4) and from the progress reports filed pursuant to  
47 this section for their own personal advantage, or examine for any

1 reason other than a reason necessitated by the performance of  
2 official duties.<sup>1</sup>

3 (cf: P.L.2007, c.200, s.5)

4  
5 5. Section 6 of P.L.2007, c.200 (C.52:39-6) is amended to read  
6 as follows:

7 6. a. The State Treasurer shall, **【not more than four months**  
8 **after the end of each State fiscal year】** as a part of the Governor's  
9 budget message transmitted annually to the Legislature pursuant to  
10 section 11 of P.L.1944, c.112 (C.52:27B-20), compile and publish,  
11 in printed and electronic form, including on the Internet, an annual  
12 Unified Economic Development Budget Report with regard to the  
13 fiscal year just concluded. The report shall provide the following  
14 comprehensive information regarding the costs and benefits of all  
15 development subsidies of the State:

16 (1) Information regarding tax expenditures resulting from any  
17 development subsidy, including the name of each recipient  
18 **【corporation】** entity receiving one or more tax expenditures with a  
19 combined total value equal to or greater than \$100,000, the value of  
20 all tax expenditures received by each recipient **【corporation】** entity  
21 and summaries of the number of full-time and part-time jobs created  
22 or retained, employee benefits provided and the degree to which job  
23 creation and retention, wage and benefit goals and requirements of  
24 recipient **【corporations】** entities and parent **【corporations】** entities  
25 have been met. Any tax expenditure received by a **【corporation】**  
26 recipient entity receiving tax expenditures with a total value of less  
27 than \$100,000 shall not be itemized. The report shall include  
28 aggregate dollar amounts for each category of tax expenditure, each  
29 geographical area, the number of companies for each category of  
30 tax expenditure, the number of full-time and part-time jobs created  
31 or retained, the employee benefits provided, and the degree to  
32 which job creation and retention, wage and benefit rate goals and  
33 requirements have been met for each category of tax expenditure,  
34 and a determination made through detailed performance indicators  
35 whether each tax expenditure has been effective in achieving the  
36 specific goals, purposes and objectives for which the tax  
37 expenditure was enacted and currently serves; and

38 (2) The costs of all expenditures of development subsidies  
39 appropriated by any granting body, including, but not limited to, the  
40 Department of Labor and Workforce Development, the Department  
41 of Education, the New Jersey Economic Development Authority,  
42 the New Jersey Commerce, Economic Growth and Tourism  
43 Commission, the New Jersey Commission on Higher Education, the  
44 New Jersey Commission on Science and Technology, and research  
45 and business assistance programs of public institutions of higher  
46 education, together with the cost to the granting bodies and the  
47 value of the development subsidies received by each recipient

1   **【corporation】 entity**, and summaries of the number of full-time and  
2   part-time jobs created or retained, employee benefits provided, and  
3   the degree to which job creation and retention, wage and benefit  
4   rate goals and requirements of recipient **【corporations】 entities** and  
5   parent **【corporations】 entities** have been met.

6       b. The State Treasurer shall provide to the Legislature, as part  
7   of the annual budget request of the Governor, a comprehensive  
8   presentation of the costs of all development subsidies to the State  
9   during the prior fiscal year, an estimate of the anticipated costs of  
10   development subsidies for the then current fiscal year and an  
11   estimate of the costs of all development subsidies for the fiscal year  
12   of the requested budget, including, but not limited to:

13       (1) The total cost to the State of tax expenditures resulting from  
14   the development subsidies, the costs for each category of tax  
15   expenditure, and the amounts of tax expenditures by geographical  
16   area; and

17       (2) The cost to the State of all appropriated expenditures for  
18   development subsidies, including line-item budgets for every State-  
19   funded entity concerned with economic development, including, but  
20   not limited to, the Department of Labor and Workforce  
21   Development, the Department of Education, the New Jersey  
22   Economic Development Authority, the New Jersey Commerce,  
23   Economic Growth and Tourism Commission, the New Jersey  
24   Commission on Higher Education, the New Jersey Commission on  
25   Science and Technology, and research and business assistance  
26   programs of public institutions of higher education.

27   (cf: P.L.2007, c.200, s.6)

28  
29       6. Section 8 of P.L.2007, c.200 (C.52:39-8) is amended to read  
30   as follows:

31       8. Each granting body shall, not later than 60 days after the  
32   effective date of this act, provide, to every recipient **【corporation】**  
33   entity receiving a development subsidy from the granting body  
34   which was awarded during the three years prior to the effective date  
35   of this act, written notification that the recipient **【corporation】**  
36   entity is required to submit to the granting body, not less than 120  
37   days after receiving the notification, the information required of  
38   applicants pursuant to section 4 of this act and that the recipient  
39   **【corporation】 entity** is required to comply with the reporting  
40   requirements of section 5 of this act.

41   (cf: P.L.2007, c.200, s.8)

42  
43       7. (New section) A recipient entity shall provide the granting  
44   body and the State Treasurer or the State Treasurer's representative  
45   access to the project site and records at reasonable times as needed  
46   to monitor the project. If a recipient entity fails to provide the  
47   required access, the granting body may impose an administrative

1 fine of not more than \$500 per day to commence upon the fifth  
2 working day that required access is denied, and of not more than  
3 \$1,000 per day to commence upon the 10th working day that  
4 required access is denied.

5

6 8. Section 9 of P.L.2007, c.200 (C.52:39-9) is amended to read  
7 as follows:

8 9. If a granting body fails to submit any report required by this  
9 act to the State Treasurer within the time prescribed by this act, the  
10 State Treasurer may, to the extent possible, withhold payments of  
11 any State-funded development subsidy to the granting body or any  
12 recipient **【corporation】** entity which has a project site located in the  
13 jurisdiction of the granting body until the public body submits the  
14 report with the State Treasurer.  
15 (cf: P.L.2007, c.200, s.9)

16

17 9. Section 10 of P.L.2007, c.200 (C.52:39-10) is amended to  
18 read as follows:

19 10. Any recipient **【corporation】** entity that knowingly makes a  
20 false material misrepresentation in any application, report or other  
21 disclosure that the recipient **【corporation】** entity is required to  
22 make pursuant to this act shall refund any development subsidy to  
23 the granting body. The granting body may include provisions for  
24 the refund as part of an agreement to provide a development  
25 subsidy and may pursue an action to collect the amount of the  
26 refund plus any attorney fees and other costs of the action.  
27 (cf: P.L.2007, c.200, s.10)

28

29 10. Section 11 of P.L.2007, c.200 (C.52:39-11) is amended to  
30 read as follows:

31 11. Nothing in this act shall be construed as requiring a recipient  
32 **【corporation】** entity to reduce wage or benefit rates of any  
33 employee or be construed as permitting a recipient **【corporation】**  
34 entity:

35 a. To reduce wage or benefit rates established by a collective  
36 bargaining agreement or required by any law or regulation; or

37 b. To provide, in return for a development subsidy, jobs with  
38 lower wage or benefit rates, a smaller number of jobs, or jobs for a  
39 shorter period of time, than is required with respect to the  
40 development subsidy by any other law or regulation.

41 (cf: P.L.2007, c.200, s.11)

42

43 11. (New section) Notwithstanding any other law to the  
44 contrary, any bill introduced on or after the date of enactment of  
45 P.L. , c. (pending before the Legislature as this bill) and enacted  
46 thereafter, that authorizes a State tax expenditure as defined in  
47 section 1 of P.L.2009, c.189 (C.52:27B-20a) or a tax expenditure as

1 defined in section 3 of P.L.2007, c.200 (C.52:39-3), shall expire on  
2 the first day of January next following the tenth anniversary of its  
3 effective date. <sup>2</sup>Provided, however, that this section shall not apply  
4 to any bill introduced on or after the date of enactment of P.L. ,  
5 c. (pending before the Legislature as this bill) and enacted  
6 thereafter, that authorizes a State tax expenditure as defined in  
7 section 1 of P.L.2009, c.189 (C.52:27B-20a) or a tax expenditure as  
8 defined in section 3 of P.L.2007, c.200 (C.52:39-3) if the bill, in  
9 conjunction with its authorization of the State tax expenditure or tax  
10 expenditure, also establishes a process providing for the review and  
11 evaluation of the effectiveness of the State tax expenditure or tax  
12 expenditure in achieving the specific goals, purposes, and  
13 objectives for which the State tax expenditure or tax expenditure  
14 was established and providing for a recommendation or finding as  
15 to whether the State tax expenditure or tax expenditure should be  
16 continued, modified, or repealed based on the review and evaluation  
17 of its effectiveness.<sup>2</sup>

18

19 12. This act shall take effect immediately.