

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 846

STATE OF NEW JERSEY
218th LEGISLATURE

ADOPTED FEBRUARY 15, 2018

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Assemblywoman Quijano, Assemblymen Karabinchak, Burzichelli,

Assemblywomen McKnight, Tucker, Assemblyman Holley,

Assemblywomen Timberlake, Reynolds-Jackson, Assemblyman

Houghtaling and Assemblywoman Downey

SYNOPSIS

Reinstates and extends duration of certain UEZs; requires DCA to study UEZ program and report recommendations to the Legislature.

CURRENT VERSION OF TEXT

As amended by the General Assembly on March 26, 2018.

(Sponsorship Updated As Of: 4/13/2018)

1 AN ACT concerning ¹**【certain】**¹ urban enterprise zones, amending
2 P.L.1983, c.303 and P.L.2001, c.347 ^{1,1} and supplementing Title
3 52 of the Revised Statutes.

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

7
8 1. Section 7 of P.L.1983, c.303 (C.52:27H-66) is amended to
9 read as follows:

10 7. The authority shall designate enterprise zones from among
11 those areas of qualifying municipalities determined to be eligible
12 pursuant to P.L.1983, **【s.】** c.303 (C.52:27H-60 et seq.). No more
13 than 32 enterprise zones shall be in effect at any one time. No more
14 than one enterprise zone shall be designated in any one
15 municipality. **【Except as otherwise provided by section 11 of**
16 **P.L.2001, c.347 (C.52:27H-66.6), any designation granted shall be**
17 **for a period of 20 years, beginning with the year in which a zone is**
18 **eligible for an exemption to the extent of 50% of the tax imposed**
19 **under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et**
20 **seq.), and shall not be renewed at the end of that period.】** In
21 designating enterprise zones the authority shall seek to avoid
22 excessive geographic concentration of zones in any particular
23 region of the State. At least six of the 10 additional enterprise
24 zones authorized pursuant to section 3 of P.L.1993, c.367 shall be
25 located in counties in which enterprise zones have not previously
26 been designated and shall be designated within 90 days of the date
27 of the submittal of an application and zone development plan. The
28 authority shall accept applications within 90 days of the effective
29 date of P.L.1993, c.367. Notwithstanding the provisions of
30 P.L.1983, c.303 (C.52:27H-60 et seq.) to the contrary, the six
31 additional enterprise zones to be designated by the authority
32 pursuant to the criteria for priority consideration in this section shall
33 be entitled to an exemption to the extent of **【50%】** 50 percent of the
34 tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30
35 (C.54:32B-1 et seq.). The following criteria shall be utilized in
36 according priority consideration for designation of these zones by
37 the authority:

38 a. One zone shall be located in a county of the second class
39 with a population greater than 595,000 and less than 675,000
40 according to the latest federal decennial census and shall be located
41 in the qualifying municipality in that county with the highest annual
42 average number of unemployed persons and the highest average
43 annual unemployment rate for the 1992 calendar year according to

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:

¹ **Assembly floor amendments adopted March 26, 2018.**

1 the estimate by the State Department of Labor and Workforce
2 Development;

3 b. Two zones shall be located in a county of the second class
4 with a population greater than 445,000 and less than 455,000
5 according to the latest federal decennial census, one of which shall
6 be located in the qualifying municipality in that county with the
7 highest annual average number of unemployed persons and the
8 highest average annual unemployment rate for the 1992 calendar
9 year according to the estimate by the State Department of Labor and
10 Workforce Development, and one of which shall be located in the
11 qualifying municipality in that county with the second highest
12 annual average number of unemployed persons and the second
13 highest average annual unemployment rate for the 1992 calendar
14 year according to the estimate by the State Department of Labor and
15 Workforce Development;

16 c. One zone shall be located in a county of the third class with
17 a population greater than 84,000 and less than 92,000 according to
18 the latest federal decennial census and shall be located in the
19 qualifying municipality in that county with the highest annual
20 average number of unemployed persons and the highest average
21 annual unemployment rate for the 1992 calendar year according to
22 the estimate by the State Department of Labor and Workforce
23 Development;

24 d. One zone shall be located within two noncontiguous
25 qualifying municipalities but comprised of not more than two
26 noncontiguous areas each having a continuous border, if:

27 (1) both municipalities are located in the same county which
28 shall be a county of the fifth class with a population greater than
29 500,000 and less than 555,000 according to the latest federal
30 decennial census;

31 (2) the two municipalities submit a joint application and zone
32 development plan; and

33 (3) each of the municipalities has a population greater than
34 16,000 and less than 30,000 and a population density of more than
35 5,000 persons per square mile, according to the latest federal
36 decennial census; and

37 e. One zone shall be located within a municipality having a
38 population greater than 38,000 and less than 46,000 according to
39 the latest federal decennial census if the municipality is located
40 within a county of the fifth class with a population greater than
41 340,000 and less than 440,000 according to the latest federal
42 decennial census.

43 (cf: P.L.2004, c.75, s.2)

44

45 2. Section 11 of P.L.2001, c.347 (C.52:27H-66.6) is amended
46 to read as follows:

47 11. a. Notwithstanding the provisions of any law, rule,
48 regulation or order to the contrary, the designation of an enterprise

1 zone by the authority pursuant to P.L.1983, c.303 (C.52:27H-60 et
2 seq.), which is located in a municipality in which the annual
3 average of unemployed persons is equal to or greater than 2,000, or
4 the municipal average annual unemployment rate exceeds the State
5 average annual unemployment rate, or an enterprise zone which is
6 located in a municipality contiguous to a municipality in which an
7 enterprise zone is designated pursuant to P.L.1983, c.303
8 (C.52:27H-60 et seq.) and in which the annual average of
9 unemployed persons is equal to or greater than 2,000 or the
10 municipal average annual unemployment rate exceeds the State
11 average annual unemployment rate, shall, following the expiration
12 of the third five-year period during which the State shall have
13 collected reduced rate revenues within the zone as provided in
14 subsection c. of section 21 of P.L.1983, c.303 (C.52:27H-80), be
15 extended by the authority **【**, on a one-time basis,**】** for a period of 16
16 years, within 90 days after the effective date of P.L.2001, c.347
17 (C.52:27H-66.2 et al.), or within 90 days after the expiration of that
18 third five-year period, whichever is later.

19 b. During the 90-day period provided for in subsection a. of
20 this section, the authority shall notify all qualified businesses in the
21 enterprise zone that the benefits authorized by sections 16 through
22 20 of P.L.1983, c.303 (C.52:27H-75 through C.52:27H-79) shall be
23 extended to qualified businesses in the enterprise zone commencing
24 with the designation of the extended enterprise zone and continuing
25 as long as a zone retains its designation as an extended enterprise
26 zone.

27 c. Notwithstanding **【**any other**】** the provisions of any law, rule
28 or regulation to the contrary, 90 days after the expiration of the
29 period provided for in subsection c. of section 21 of P.L.1983, c.303
30 (C.52:27H-80), except as provided in subsection b. of section 6 of
31 P.L.1996, c.124 (C.13:1E-116.6), and after first depositing 10
32 percent of the gross amount of all revenues received from the
33 taxation of retail sales made by certified vendors from business
34 locations in an extended enterprise zone designated pursuant to
35 subsection a. of this section, to which this exemption shall apply
36 into the account created in the name of the authority in the
37 enterprise zone assistance fund established pursuant to section 29 of
38 P.L.1983, c.303 (C.52:27H-88), the remaining 90 percent shall be
39 deposited immediately upon collection by the Department of the
40 Treasury, as follows:

41 (1) In the first five-year period during which the State shall have
42 collected reduced rate revenues within the extended enterprise zone,
43 **【**all such**】** those revenues shall be deposited in the enterprise zone
44 assistance fund ¹**【**created pursuant to section 29 of P.L.1983, c.303
45 (C.52:27H-88)**】**¹;

46 (2) In the second five-year period during which the State shall
47 have collected reduced rate revenues within the extended enterprise

1 zone, 66 **[2/3%]** and 2/3 percent of **[all]** those revenues shall be
2 deposited in the enterprise zone assistance fund, and 33 **[1/3%]** and
3 1/3 percent shall be deposited in the General Fund;

4 (3) In the third five-year period during which the State shall
5 have collected reduced rate revenues within the extended enterprise
6 zone, 33 **[1/3%]** and 1/3 percent of **[all]** those revenues shall be
7 deposited in the enterprise zone assistance fund, and 66 **[2/3%]** and
8 2/3 percent shall be deposited in the General Fund;

9 (4) In the **[final]** sixteenth year during which the State shall
10 have collected reduced rate revenues within the extended enterprise
11 zone, but not to exceed the life of the enterprise zone, **[all]** those
12 revenues shall be deposited in the General Fund.

13 The revenues required to be deposited in the enterprise zone
14 assistance fund **[under]** pursuant to this section shall be used for
15 the purposes of **[that]** the enterprise ¹**[urban] zone** ¹assistance fund
16 and for the uses prescribed in section 29 of P.L.1983, c.303
17 (C.52:27H-88), subject to annual appropriations being made for
18 those purposes and uses.

19 d. The designation as an extended enterprise zone pursuant to
20 this section shall terminate if the authority determines that the
21 municipality in which the zone is located fails to meet the criteria of
22 subsection a. of this section for three consecutive years. Any
23 enterprise zone which loses its designation as an extended
24 enterprise zone pursuant to this subsection shall be eligible to re-
25 apply to the authority for designation as an extended enterprise zone
26 pursuant to the provisions of P.L.1983, c.303 (C.52:27H-60 et seq.).
27 If the authority approves its application, an urban enterprise zone
28 designation may be extended to the applicant in accordance with the
29 schedules set forth in P.L.1983, c.303 (C.52:27H-60 et seq.),
30 beginning at the point where the enterprise zone was located on
31 **[such]** those schedules on the effective date of P.L.2001, c.347
32 (C.52:27H-66.2 et al.).
33 (cf: P.L.2001, c.347, s.11)
34

35 ¹**[3. New section]** a. Notwithstanding the provisions of any
36 law, rule, or regulation to the contrary, the duration of the first five
37 enterprise zones that were designated pursuant to P.L.1983, c.303
38 (C.52:27H-60 et seq.) are hereby extended for a period commencing
39 on the effective date of P.L. , c. (C.) (pending before the
40 Legislature as this bill) and ending on September 30, 2019. This
41 extension shall be in addition to the extension provided for in
42 section 11 of P.L.2001, c.347 (C.52:27H-66.6).

43 b. The authority shall notify all qualified businesses in the
44 enterprise zones extended pursuant to subsection a. of this section
45 that the benefits authorized by sections 16 through 20 of P.L.1983,
46 c.303 (C.52:27H-75 through C.52:27H-79) and by section 23 of
47 P.L.2004, c.65 (C.52:27H-87.1) have been extended to qualified

1 businesses, and the exemption provided by section 21 of P.L.1983,
2 c.303 (C.52:27H-80) will remain in effect for retail sales made by a
3 certified seller from a place of business, in the enterprise zones for a
4 period commencing on the effective date of P.L. , c. (C.)
5 (pending before the Legislature as this bill) and ending on
6 September 30, 2019.

7 c. Notwithstanding the provisions of any law, rule, or
8 regulation to the contrary, after first depositing 10 percent of the
9 gross amount of all revenues received from the taxation of retail
10 sales made by qualified businesses from business locations in each
11 enterprise zone, to which this exemption shall apply, into the
12 account created in the name of the authority in the enterprise zone
13 assistance fund established pursuant to section 29 of P.L.1983,
14 c.303 (C.52:27H-88), the remaining 90 percent shall be deposited
15 immediately in the General Fund upon collection by the Department
16 of the Treasury.

17 d. The revenues required to be deposited in the enterprise zone
18 assistance fund pursuant to subsection c. of this section shall be
19 used for the purposes of the assistance fund and for the uses
20 prescribed in section 29 of P.L.1983, c.303 (C.52:27H-88), subject
21 to annual appropriations being made for those purposes and uses.】¹
22

23 ¹【4. (New section) In addition to the duties of the authority
24 required pursuant to section 6 of P.L.1983, c.303 (C.52:27H-65),
25 and any other provisions of law, the authority shall undertake a
26 review and analysis of the Urban Enterprise Zone program created
27 pursuant to the “New Jersey Urban Enterprise Zones Act,”
28 P.L.1983, c.303 (C.52:27H-60 et seq.), and shall report the findings
29 and recommendations of the authority to the Governor and,
30 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
31 Legislature, no later than the date the Governor transmits the budget
32 message for the fiscal year ending June 30, 2020 to the Legislature.
33 The authority may enter into an agreement with a third party,
34 including, but not limited to, a public institution of higher education
35 in the State or an independent consulting firm, for purposes of
36 preparing all or part of the report. The report shall include, but not
37 be limited to, an assessment of the following aspects of the “New
38 Jersey Urban Enterprise Zones Act,” P.L.1983, c.303 (C.52:27H-60
39 et seq.):

40 a. the appropriateness of the criteria evaluated when
41 designating an enterprise zone or UEZ-impacted business district;

42 b. any additional criteria that should be considered when
43 making or reviewing an enterprise zone designation;

44 c. whether the designation of a new, or the de-designation of an
45 existing, enterprise zone or UEZ-impacted business district furthers
46 the goals of the “New Jersey Urban Enterprise Zones Act,” and if
47 so, the municipalities, zones, or districts that should be designated
48 or de-designated;

- 1 d. impediments to obtaining an enterprise zone or UEZ-
2 impacted business district designation, or to de-designating an
3 existing enterprise zone or district;
4 e. the economic, employment, and demographic effects
5 attributable to the expiration of the first five enterprise zones;
6 f. business participation rates; and
7 g. whether an alternative, location-based program to assist
8 fiscally distressed municipalities is appropriate, and if so, the
9 parameters of such a program that would provide a sufficient return
10 on State investment.】¹

11
12 ¹3. (New section) a. The Department of Community Affairs
13 shall study the Urban Enterprise Zone program and submit to the
14 Legislature a report and recommendations as to whether the
15 program shall continue as is, be amended, or expire. The
16 department may enter into an agreement with a third party,
17 including but not limited to a public institution of higher education
18 in the State or an independent consulting firm, to conduct the study
19 and prepare the report. The Commissioner of Community Affairs,
20 after consulting with the State Treasurer, and prior to the first day
21 of the twelfth month next following the date of enactment of
22 P.L. , c. (C.) (pending before the Legislature as this bill),
23 shall submit to the Legislature the report on the Urban Enterprise
24 Zone program and the department's recommendations as to whether
25 the program shall be continued, as it exists on the effective date of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 be continued with specific recommended changes, or be
28 reconstituted.

29 b. The study, report, and recommendations required pursuant to
30 subsection a. of this section shall include, but not be limited to, an
31 assessment of the following aspects of the Urban Enterprise Zone
32 program:

33 (1) the adequacy of past funding for urban enterprise zones in
34 furthering the goals of the “New Jersey Urban Enterprise Zones
35 Act”;

36 (2) whether changes are needed to address future funding for
37 urban enterprise zones in furthering these goals;

38 (3) whether the criteria established for eligibility to assist
39 fiscally distressed municipalities is appropriate; and

40 (4) what parameters shall be established to keep urban
41 enterprise zone municipalities competitive while providing a
42 sufficient return on State investment.

43 c. The New Jersey Urban Enterprise Zone Authority shall fund
44 the cost of conducting the study and preparing the report on the
45 Urban Enterprise Zone program from the account maintained,
46 pursuant to section 29 of P.L.1983, c.303 (C.52:27H-88), in the
47 name of the authority in the enterprise zone assistance fund.

1 d. (1) Notwithstanding the provisions of any law, rule,
2 regulation, or order to the contrary, each enterprise zone that
3 expired prior to the effective date of P.L. , c. (C.) (pending
4 before the Legislature as this bill) is hereby reinstated until
5 December 31, 2023.

6 (2) Notwithstanding the provisions of any law, rule, regulation,
7 or order to the contrary, the duration of each enterprise zone that is
8 scheduled to expire prior to December 31, 2023 is hereby extended
9 until December 31, 2023.

10 (3) Any extension or reinstatement granted pursuant to this
11 subsection shall occur notwithstanding the extension provided for in
12 section 11 of P.L.2001, c.347 (C.52:27H-66.6).

13 e. As necessary, the authority shall notify all qualified
14 businesses in the enterprise zones reinstated or extended pursuant to
15 subsection d. of this section that the benefits authorized by sections
16 16 through 20 of P.L.1983, c.303 (C.52:27H-75 through C.52:27H-
17 79) have been reinstated or extended to qualified businesses in the
18 enterprise zones until December 31, 2023.

19 f. Notwithstanding the provisions of any law, rule, regulation,
20 or order to the contrary, all reduced-rate revenues collected within
21 an enterprise zone which is reinstated or extended pursuant to
22 subsection d. of this section shall be deposited into the General
23 Fund.¹

24
25 ^{14.} Section 29 of P.L.1983, c.303 (C.52:27H-88) is amended to
26 read as follows:

27 29. a. There is created an enterprise zone assistance fund to be
28 held by the State Treasurer, which shall be the repository for all
29 moneys required to be deposited therein under section 21 of
30 P.L.1983, c.303 (C.52:27H-80) or moneys appropriated annually to
31 the fund. All moneys deposited in the fund shall be held and
32 disbursed in the amounts necessary to fulfill the purposes of this
33 section and subject to the requirements hereinafter prescribed. The
34 State Treasurer may invest and reinvest any moneys in the fund, or
35 any portion thereof, in legal obligations of the United States or of
36 the State or of any political subdivision thereof. Any income from,
37 interest on, or increment to moneys so invested or reinvested shall
38 be included in the fund.

39 The State Treasurer shall maintain separate accounts for each
40 enterprise zone designated under P.L.1983, c.303 (C.52:27H-60 et
41 seq.), and one in the authority's name for the administration of the
42 Urban Enterprise Zone program. The State Treasurer shall credit to
43 each account an amount of the moneys deposited in the fund equal
44 to the amount of revenues collected from the taxation of retail sales
45 made in the zone and appropriated to the enterprise zone assistance
46 fund, or that amount of moneys appropriated to the fund and
47 required to be credited to the enterprise zone account of the

1 qualifying municipality pursuant to section 21 of P.L.1983, c.303
2 (C.52:27H-80).

3 The State Treasurer shall promulgate the rules and regulations
4 necessary to govern the administration of the fund for the purposes
5 of this section, which shall include, but not be limited to,
6 regulations requiring the establishment of separate bank accounts
7 for funds credited to the enterprise zone account of each
8 municipality from the enterprise zone assistance fund, commonly
9 known as "first generation funds," and funds generated from the
10 repayments of loans to individuals and businesses from the
11 enterprise zone account of each municipality and the proceeds from
12 the sale of properties and equipment acquired through the enterprise
13 zone program, commonly known as "second generation funds," and
14 the review, compilation, and monitoring of second generation fund
15 quarterly reports submitted by each enterprise zone.

16 Any individual, including an individual who is not directly
17 employed by a municipality, with the authority to administer,
18 allocate or approve the use of zone assistance funds is subject to the
19 "Local Government Ethics Law," P.L.1991, c.29 (C.40A:9-22.1 et
20 seq.), unless the individual is a State employee or a special State
21 officer.

22 b. The enterprise zone assistance fund shall be used for the
23 purpose of assisting qualifying municipalities in which enterprise
24 zones are designated in undertaking **【public improvements,】**
25 economic development projects **【and in upgrading eligible**
26 **municipal services】** in designated enterprise zones.

27 c. The governing body of a qualifying municipality in which an
28 enterprise zone is designated and the zone development corporation
29 created or designated by the municipality for that enterprise zone
30 may, by resolution jointly adopted after public hearing, propose to
31 undertake **【a】** an economic development project **【for the public**
32 **improvement of the enterprise zone or to increase eligible municipal**
33 **services】** in the enterprise zone, and to fund that project **【or**
34 **increase in eligible municipal services】** from moneys deposited in
35 the enterprise zone assistance fund and credited to the account
36 maintained by the State Treasurer for the enterprise zone.

37 The proposal so adopted shall set forth a plan for the project **【or**
38 **for the increase in eligible municipal services】** and shall include:

39 (1) A description of the proposed project **【or of the municipal**
40 **services to be increased】**;

41 (2) An estimate of the total project costs **【, or of the total costs**
42 **of increasing the municipal services】**, and an estimate of the
43 amounts of funding necessary annually from the enterprise zone
44 account;

45 (3) A statement of any other revenue sources to be used to
46 finance the project **【or to fund the increase in eligible municipal**
47 **services】**;

1 (4) A statement of the time necessary to complete the project [,
2 or of the time during which the increased municipal services are to
3 be maintained];

4 (5) A statement of the manner in which the proposed project [or
5 increase in municipal services] furthers the municipality's policy
6 and intentions for addressing [the] economic [and social conditions
7 existing] development in the [area of the] enterprise zone as set
8 forth in the zone development plan approved by the authority; and

9 (6) A description of the financial and programmatic controls and
10 reporting mechanisms to be used to guarantee that the funds will be
11 spent in accordance with the plan and that the project [or increased
12 municipal service] will accomplish its purpose.

13 As used in this section, "project" means an activity funded by the
14 zone assistance fund through the qualified municipality and
15 implemented by the zone development corporation, [including the
16 purchasing, leasing, condemning, or otherwise acquiring of land or
17 other property, or an interest therein, in the enterprise zone or as
18 necessary for a right-of-way or other easement to or from the
19 enterprise zone; the relocating and moving of persons or businesses
20 displaced by the acquisition of land or property; the rehabilitation
21 and redevelopment of land or property, including demolition,
22 clearance, removal, relocation, renovation, alteration, construction,
23 reconstruction, installation or repair of land or a building, street,
24 highway, alley, utility, service or other structure or improvement]
25 which will lead to the creation of new jobs and increased economic
26 activity within the zone [; the purchase and installation of closed
27 circuit television surveillance systems or other related equipment
28 and those expenses associated with homeland security and domestic
29 preparedness; the acquisition, construction, reconstruction,
30 rehabilitation, or installation of public facilities and improvements,
31 except buildings and facilities for the general conduct of
32 government and schools;] , such as: the establishment of revolving
33 loan [or grant] programs for qualified businesses in the zone to
34 encourage private investment and job creation, [matching grant
35 programs for the establishment or operation of pedestrian malls,
36 special improvement districts and tax increment districts, or other
37 appropriate entity;] and marketing, advertising and special event
38 activities that will lead to increased economic activity or encourage
39 private investment and job creation in the zone, but not including
40 the expenditures therefor which are required to be reported pursuant
41 to "The New Jersey Campaign Contributions and Expenditures
42 Reporting Act," P.L.1973, c.83 (C.19:44A-1 et al.) and the costs
43 associated therewith including the costs of [an administrative
44 appraisal,] economic [and environmental] analyses [,
45 environmental remediation, engineering, planning, design,

1 architectural, surveying or other professional or managerial
2 services】.

3 【As used in this section, "eligible municipal services" means the
4 hiring of additional policemen or firemen assigned duties in the
5 enterprise zone, or the purchasing or leasing of additional police or
6 fire vehicles, equipment or apparatus to be used for the provision of
7 augmented or upgraded public safety services in the enterprise zone
8 and its immediate vicinities.】

9 d. Upon adoption by the governing body of the qualifying
10 municipality and by the zone development corporation, the proposal
11 shall be sent to the authority for its evaluation and approval. The
12 authority shall approve the proposal if it shall find 【:

13 (1) In the case of a project,】 that the proposed project furthers
14 the policy and intentions of the zone development plan approved by
15 the authority, and that the estimated annual payments for the project
16 from the enterprise zone account to which the proposal pertains are
17 not likely to result in a deficit in that account 【;

18 (2) In the case of an increase in eligible municipal services, that
19 the proposal furthers the policy and intentions of the zone
20 development plan approved by the authority; that the qualifying
21 municipality has furnished satisfactory assurances that the
22 additional policemen or firemen to be hired, or the additional
23 vehicles, equipment or apparatus to be purchased or leased, shall be
24 used to augment or upgrade public safety in the enterprise zone, and
25 shall not be used in other areas of the municipality; that the
26 qualifying municipality shall annually appropriate for the increased
27 eligible municipal services an amount equal to 20% of the amount
28 of annual payments for the eligible municipal services from the
29 enterprise zone account and shall not request for the increased
30 eligible municipal services an amount equal to more than 35% of
31 the amount of annual payments into the enterprise zone account,
32 unless the municipality and the authority have entered into an
33 agreement or agreements to the contrary prior to July 1, 1992; and
34 that the estimated annual payments for the eligible municipal
35 services from the enterprise zone account to which the proposal
36 pertains are not likely to result in a deficit in that account】.

37 e. If the authority shall approve the proposal, it shall annually,
38 upon its receipt of a written statement from the governing body of
39 the qualifying municipality and the zone development corporation,
40 certify to the State Treasurer the amount to be paid in that year from
41 the enterprise zone account in the enterprise zone assistance fund
42 with respect to each approved project 【or increase in eligible
43 municipal services approved】. The authority may at any time
44 revoke its approval of a project 【or an increase in eligible municipal
45 services】 if it finds that the annual payments made from the
46 enterprise zone assistance fund are not being used as required by
47 this section.

1 f. Upon certification by the authority of the annual amount to
2 be paid to a qualifying zone with respect to any project [or increase
3 in eligible municipal services], the State Treasurer shall pay in each
4 year to the qualifying municipality from the amounts deposited in
5 the enterprise zone assistance fund the amount so certified, within
6 the limits of the amounts credited to the enterprise zone account of
7 the qualifying municipality.

8 g. An amount not to exceed one-third of the amount deposited
9 in the account created in the name of the authority in the enterprise
10 zone assistance fund shall be used by the authority for the
11 coordination and administration of the program throughout the
12 State, including but not limited to costs for personnel, operating
13 expenses and marketing. The balance of the remaining amount
14 shall be distributed to qualifying municipalities in proportion to
15 each municipality's contribution to the enterprise zone assistance
16 fund for the coordination and administration of the program within
17 the municipality, including but not limited to costs for personnel,
18 operating expenses and marketing.¹

19 (cf: P.L.2009, c.25, s.1)

20

21 5. This act shall take effect immediately.