

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 1311

STATE OF NEW JERSEY

DATED: FEBRUARY 22, 2018

The Senate Economic Growth Committee reports favorably Senate Bill No. 1311.

As reported, this bill establishes a New Jersey “Economic Gardening Program.” “Economic gardening” is an approach to economic growth and development that emphasizes nurturing and cultivating local small businesses by providing strategic assistance to qualified second-stage businesses.

Under the bill, a business qualifies as a “second-stage growth business” if it:

- has maintained its principal place of business in New Jersey for at least the last two years;
- has annual revenues totaling between \$600,000 and \$50,000,000;
- employs at least five but not more than 100 full-time employees;
- demonstrates growth in annual revenue or jobs, or both, in two of the last five years;
- delivers products or services to customers outside the business's local market area or demonstrates the capacity to do so;
- is in a target industry; and
- is organized for profit to perform a lawful, commercial function.

The bill directs the Business Action Center (BAC) to establish the program, and to work in conjunction with the New Jersey Economic Development Authority and State, local, and private business assistance entities to develop and promote the program.

The program provides qualified businesses customized services tailored to their needs in the form of personalized counseling or management consulting. These services include:

- review of core business strategies,
- market research and business development, and
- guidance on increasing a business’ visibility and credibility.

The bill authorizes the BAC to partner with business assistance organizations to provide services to qualified businesses.

The bill provides for a General Fund appropriation of an amount necessary to effectuate the purposes of the bill and allows the BAC to seek and accept gifts, grants, or donations from private or public sources for funding the costs of program services.

The bill requires the BAC to report on the program annually to the Governor and the Legislature.