SYNOPSIS

"New Jersey Economic Recovery Act of 2020", provides for administration of programs and policies related to jobs, property development, food deserts, community partnerships, small and early stage businesses, State procurement, wind energy, and film production, and makes an appropriation.

CURRENT VERSION OF TEXT

As introduced.
AN ACT concerning State economic development policy, and
amending and supplementing various parts of the statutory law,
and making an appropriation.

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

1. (New section) P.L. , c. (C. ) (pending before the
Legislature as this bill) shall be known and may be cited as the "New

2. (New section) Sections 2 through 8 of P.L. , c. (C. )
(pending before the Legislature as this bill) shall be known and may
be cited as the "Historic Property Reinvestment Act."

3. (New section) As used in sections 2 through 8 of P.L. ,
c. (C. ) (pending before the Legislature as this bill):
 "Authority" means the New Jersey Economic Development
Authority established pursuant to section 4 of P.L.1974, c.80
(C.34:1B-4).
 "Board" means the Board of the New Jersey Economic
Development Authority, established pursuant to section 4 of
P.L.1974, c.80 (C.34:1B-4).
 "Cost of rehabilitation" means the consideration given, valued in
money, whether given in money or otherwise, for the materials and
services which constitute the rehabilitation.
 "Director" means the Director of the Division of Taxation in the
Department of the Treasury.
 "Income producing property" means a structure or site that is used
in a trade or business or to produce rental income.
 "New Jersey S corporation" means the
same as the term is defined
in section 12 of P.L.1993, c.173 (C.54A:5-10).
 "Officer" means the State Historic Preservation Officer or the
official within the State designated by the Governor or by statute in
accordance with the provisions of chapter 3023 of Title 54, United
States Code (54 U.S.C. s.302301 et seq), to act as liaison for the
purpose of administering historic preservation programs in the State.
 "Partnership" means an entity classified as a partnership for
federal income tax purposes.
 "Project financing gap" means the part of the total cost of
rehabilitation, including reasonable and appropriate return on
investment, that remains to be financed after all other sources of
capital have been accounted for, including, but not limited to,
developer contributed capital, which shall not be less than 20 percent
of the total cost of rehabilitation, and investor or financial entity

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.
capital or loans for which the developer, after making all good faith
efforts to raise additional capital, certifies that additional capital
cannot be raised from other sources.

"Property" means a structure, including its site improvements and
landscape features, assessed as real property, and used for: a
commercial purpose; a residential rental purpose, provided the
structure contains at least four dwelling units; or any combination
thereof.

"Qualified property" means a property located in the State of New
Jersey that is an income producing property, and that is:

(a) (i) individually listed, or located in a district listed on the
National Register of Historic Places in accordance with the with the
provisions of chapter 3021 of Title 54, United States Code (54 U.S.C.
s.302101 et seq), or on the New Jersey Register of Historic Places
pursuant to P.L.1970, c.268 (C.13:1B-15.128 et seq.), or individually
designated, or located in a district designated, by the Pinelands
Commission as a historic resource of significance to the Pinelands in
accordance with the Pinelands comprehensive management plan
adopted pursuant to the "Pinelands Protection Act," P.L.1979, c.111
(C.13:18A-1 et seq.), and

(ii) if located within a district, certified by either the officer or the
Pinelands Commission, as appropriate, as contributing to the historic
significance of the district; or

(b) (i) individually identified or registered, or located in a
district composed of properties identified or registered, for protection
as significant historic resources in accordance with criteria
established by a municipality in which the property or district is
located if the criteria for identification or registration has been
approved by the officer as suitable for substantially achieving the
purpose of preserving and rehabilitating buildings of historic
significance within the jurisdiction of the municipality, and

(ii) if located within a district, certified by the officer as
contributing to the historic significance of the district.

"Rehabilitation" means the repair or reconstruction of the exterior
or interior of a qualified property or transformative project to make
an efficient contemporary use possible while preserving the portions
or features of the property that have significant historical,
architectural, and cultural values.

"Rehabilitation of the interior of the qualified property or
transformative project" means the repair or reconstruction of the
structural or substrate components and electrical, plumbing, and
heating components within the interior of a qualified property or
transformative project.

"Selected rehabilitation period" means a period of 24 months if
the beginning of such period is chosen by the business entity during
which, or parts of which, a rehabilitation is occurring, or a period of
60 months if a rehabilitation is reasonably expected to be completed
in distinct phases set forth in written architectural plans and
specifications completed before or during the physical work on the rehabilitation.

“Transformative project” means a property that is:

(a) an income producing property, not including a residential property, whose rehabilitation the authority determines will generate substantial increases in State revenues through the creation of increased business activity within the surrounding area;

(b) individually listed on the New Jersey Register of Historic Places pursuant to P.L.1970, c.268 (C.13:1B-15.128 et seq.) and which, before the enactment of P.L. , c. (C. ) (pending before the Legislature as this bill), received a Determination of Eligibility from the Keeper of the National Register of Historic Places in accordance with the provisions of Part 60 of Title 36 of the Code of Federal Regulations;

(c) located within a one-half mile radius of the center point of a transit village, as designated by the New Jersey Department of Transportation; and

(d) located within a city of the first class, as classified under N.J.S.40A:6-4.

4. (New section) a. (1) A business entity, upon successful application to the New Jersey Economic Development Authority, and commitment to the authority to pay each worker employed to perform construction work at the qualified property or transformative project a wage not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.), shall be allowed a credit against the tax otherwise due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), the tax imposed on insurers generally pursuant to P.L.1945, c.132 (C.54:18A-1 et seq.), or the tax imposed on marine insurance companies pursuant to R.S.54:16-1 et. seq., for 40 percent of the cost of rehabilitation paid by the business entity for the rehabilitation of a qualified property or transformative project, if the cost of rehabilitation during a business entity’s selected rehabilitation period is not less than the greater of (1) the adjusted basis of the structure of the qualified property or transformative project used for federal income tax purposes as of the beginning of the business entity’s selected rehabilitation period, or

(2) $5,000. The amount of the credit claimed in any accounting or privilege period shall not reduce the amount of the tax liability to less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162 (C.54:10A-5).

(2) The prevailing wage requirements shall apply to projects that are allowed a tax credit in excess of $500,000, and shall apply at a qualified property or transformative project during the selected rehabilitation period. In the event a qualified property or transformative project, or the aggregate of all qualified properties and transformative projects approved for awards under the program,
constitute a lease of more than 55 percent of a facility, the prevailing wage requirements shall apply to the entire facility.

(3) Prior to approval of an application by the authority, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the authority whether the business entity is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan for the business entity. The authority may also contract with an independent third party to perform a background check on the business entity. Following approval of an application by the authority, but prior to the start of any construction or rehabilitation at the qualified property or transformative project, the authority shall enter into a rehabilitation agreement with the business entity. The authority shall negotiate the terms and conditions of the rehabilitation agreement on behalf of the State, but the terms shall require the business entity to consent to the disclosure of tax expenditure information as described in paragraph (8) of subsection b. of section 1 of P.L.2009, c.189 (C.52:27B-20a).

(4) A rehabilitation project shall be eligible for a tax credit only if the business entity demonstrates to the authority at the time of application that:

(a) without the tax credit, the rehabilitation project is not economically feasible; and

(b) a project financing gap exists.

b. A business entity may claim a credit under this section during the accounting or privilege period: (1) in which it makes the final payment for the cost of the rehabilitation if the business entity has chosen a selected rehabilitation period of 24 months; or (2) in which a distinct project phase of the rehabilitation is completed if the business entity has chosen a selected rehabilitation period of 60 months. The credit may be claimed against any State tax, listed in paragraph (1) of subsection a. of this section, liability otherwise due after any other credits permitted pursuant to law have been applied. The amount of credit claimed in an accounting or privilege period that cannot be applied for that accounting or privilege period due to limitations in this section may be transferred pursuant to section 5 of P.L. , c. (C. ) (pending before the Legislature as this bill) or carried over, if necessary, to the nine accounting or privilege periods following the accounting or privilege period for which the credit was allowed.

c. A business entity shall submit to the authority satisfactory evidence of the actual cost of rehabilitation, as certified by a certified public accountant, evidence of completion of the rehabilitation or phase, and a certification that all information provided by the business entity to the authority is true, including information contained in the application, the rehabilitation agreement, any amendment to the rehabilitation agreement, and any other
information submitted by the business entity to the authority pursuant to sections 2 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill). The business entity, or an authorized agent of the business entity, shall certify under the penalty of perjury that the information provided pursuant to this subsection is true.

5. (New section) a. The authority shall, in cooperation with the director, establish and administer a corporation business tax credit transfer certificate program and an insurance premiums tax credit transfer certificate program to enable business entities with unused, otherwise allowable amounts of tax credits issued pursuant to sections 2 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill) to exchange these credits, in whole or in part, for private financial assistance prior to the expiration of the tax credit.

A certificate issued by the director shall include a statement waiving the rights of the business entity to which the tax credit has been granted to claim any amount of remaining credit against any tax liability.

b. A business entity holding an unused, otherwise allowable tax credit issued pursuant to sections 2 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill) may apply to the director for a tax credit transfer certificate pursuant to subsection a. of this section. Upon receipt thereof, the business entity may sell or assign, in full or in part, the tax credit transfer certificate to another taxpayer in exchange for private financial assistance to be provided by the purchaser or assignee of the tax credit transfer certificate to the seller thereof. The developer shall not sell a tax credit transfer certificate allowed under this section for consideration received by the developer of less than 85 percent of the transferred credit amount before considering any further discounting to present value which shall be permitted, except a developer of a residential project consisting of newly-constructed residential units that has received federal low income housing tax credits under 26 U.S.C. s.42(b)(2)(B)(i) may assign a tax credit transfer certificate for consideration of no less than 75 percent subject to the submission of a plan to the authority and the New Jersey Housing and Mortgage Finance Agency to use the proceeds derived from the assignment of tax credits to complete the residential project. The purchaser or assignee of the tax credit transfer certificate may apply the face value of the tax credit transfer certificate acquired against the purchaser’s or assignee’s applicable tax liability by claiming the tax credit on the purchaser’s or assignee’s corporation business tax or insurance premiums tax return with the corresponding tax credit transfer certificate accompanying the tax return. A purchaser or assignee of a tax credit transfer certificate pursuant to this section shall not make any subsequent transfers, assignments, or sales of the tax credit transfer certificate.
c. The authority shall publish on its Internet website the following information concerning each tax credit transfer certificate approved by the authority and the director pursuant to this section:

(1) the name of the transferor;
(2) the name of the transferee;
(3) the value of the tax credit transfer certificate;
(4) the State tax against which the transferee may apply the tax credit; and
(5) the consideration received by the transferor.

6. (New section) a. The authority shall, in consultation with the officer and the director, promulgate rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as the officer deems necessary to administer the provisions of sections 2 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill), including but not limited to rules establishing administrative fees to implement the provisions of sections 2 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill), setting of an annual application submission date, requiring annual reporting by each business entity that receive a tax credit pursuant to sections 2 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill), and requiring those reports to include certifications by the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury that the business entity, and any contractors or subcontractors performing work at the qualified property or transformative project, are in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan for the business entity. The rules and regulations adopted pursuant to this section shall also include a provision to require that business entities forfeit all tax credits awarded in any year in which any such report is not received, and to allow the authority to extend, in individual cases, the deadline for any annual reporting or certification requirement established pursuant to this section.

b. For every tax credit allowed pursuant to section 4 of P.L. , c. (C. ) (pending before the Legislature as this bill), the authority, in consultation with the officer, shall certify to the director: the total cost of rehabilitation; that the property meets the definition of qualified property or transformative project, as applicable; and that the rehabilitation has been completed in substantial compliance with the requirements of the Secretary of the Interior's Standards for Rehabilitation pursuant to section 67.7 of Title 36, Code of Federal Regulations. The business entity shall attach the certification to the tax return on which the business entity claims the credit.

c. (1) The total amount of credits approved by the authority pursuant to sections 2 through 8 of P.L. , c. (C. ) (pending
before the Legislature as this bill) shall not exceed the limitations set
forth in section 98 of P.L. , c. (C. ) (pending before the
legislature as this bill). If the authority approves less than the total
amount of tax credits authorized pursuant to this subsection in a fiscal
year, the remaining amount, plus any amounts remaining from
previous fiscal years, shall be added to the limit of subsequent fiscal
years until that amount of tax credits are claimed or allowed. Any
unapproved, uncertified, or recaptured portion of tax credits during
any fiscal year may be carried over and reallocated in succeeding
years.

(2) Notwithstanding the provisions of paragraph (1) of this
subsection and section 98 of P.L. , c. (C. ) (pending before
the Legislature as this bill) to the contrary, the authority may approve
tax credits, pursuant to sections 2 through 8 of P.L. , c. (C. )
(pending before the Legislature as this bill), for the rehabilitation of
a transformative project in an amount that causes the total amount of
credits approved during the fiscal year to exceed the limitations set
forth in section 98 of P.L. , c. (C. ) (pending before the
legislature as this bill), provided that the amount of the excess shall
be subtracted from the total amount of credits that may be approved
by the authority in the subsequent fiscal year, and the amount of the
excess shall not exceed 50 percent of the total tax credits otherwise
authorized for the fiscal year.

The authority, in consultation with the officer, shall devise criteria
for allocating tax credit amounts if the approved amounts combined
exceed the total amount in each fiscal year, including rules that
allocate over multiple fiscal years a single credit amount granted in
excess of $2,000,000. The criteria shall include a project’s historic
importance, positive impact on the surrounding neighborhood,
economic sustainability, geographic diversity, and consistency with
Statewide growth and development policies and plans.

7. (New section) a. The authority, in collaboration with the
director, shall adopt rules for the recapture of an entire or partial tax
credit amount allowed under sections 2 through 8 of P.L. ,
c. (C. ) (pending before the Legislature as this bill). The rules
shall require the authority to notify the director of the recapture of an
entire or partial tax credit amount. The recapture of funds shall be
subject to the State Uniform Tax Procedure Law, R.S.54:48-1 et seq.
and recaptured funds shall be deposited in the General Fund of the
State.

b. If, before the end of five full years after the completion of the
rehabilitation of the qualified property or transformative project, a
developer that has received a tax credit pursuant to section 4 of
P.L. , c. (C. ) (pending before the Legislature as this bill)
modifies the qualified property or transformative project so that it
ceases to meet the requirements for the rehabilitation of a qualified
property or transformative project as defined under the program or
ceases to meet the requirement of the rehabilitation agreement then
the tax credit allowed under the program shall be recaptured in
accordance with the rules adopted pursuant to subsection a. of this
section.

c. In the case of a business entity that has chosen a selected
rehabilitation period of 60 months, if the architectural plans change
in the course of the phased rehabilitation project so that the
rehabilitation of the qualified property or transformative project
would, upon the rehabilitation’s completion, no longer qualify for a
tax credit pursuant to the requirements of sections 2 through 8 of
P.L. , c. (C. ) (pending before the Legislature as this bill),
then the business entity’s tax liability for that accounting or privilege
period shall be increased by the full amount of the tax credit that the
authority had previously granted upon the completion of a distinct
prior project phase that the business entity has applied against its tax
liability in a prior accounting or privilege period. Any portion of the
tax credit that the business entity has not yet used at the time of the
disallowance by the officer shall be deemed void.

8. (New section) On or before December 31 of the fourth year
following the effective date of sections 2 through 8 of P.L. ,
c. (C. ) (pending before the Legislature as this bill), the
authority, in consultation with the officer and the director, shall
prepare and submit a written report regarding the number and total
monetary amount of tax credits granted for the rehabilitation of
qualified properties or transformative projects pursuant to section 4
of P.L. , c. (C. ) (pending before the Legislature as this bill),
the geographical distribution of the credits granted, a summary of the
tax credit transfer program established pursuant to section 5 of
P.L. , c. (C. ) (pending before the Legislature as this bill), an
evaluation of the effectiveness of the tax credits provided pursuant to
sections 2 through 8 of P.L. , c. (C. ) (pending before the
Legislature as this bill) in promoting the rehabilitation of historic
properties, recommendations for administrative or legislative
changes to increase the effectiveness of the program, and any other
information that the authority, the officer, or the director may deem
useful or appropriate. This report shall be submitted to the Governor
and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the
Legislature.

9. (New section) Sections 9 through 19 of P.L. , c. (C. )
(pending before the Legislature as this bill) shall be known and may
be cited as the "Brownfields Redevelopment Incentive Program Act."

10. (New section) As used in sections 9 through 19 of P.L. ,
c. (C. ) (pending before the Legislature as this bill):
"Authority" means the New Jersey Economic Development
Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).
"Board" means the Board of the New Jersey Economic Development Authority, established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

"Brownfield site" means any former or current commercial or industrial site that is currently vacant or underutilized and on which there has been, or there is suspected to have been, a discharge of a contaminant or on which there is a contaminated building.

"Contaminated building" means a structure upon which abatement or removal of asbestos, polychlorinated biphenyls, contaminated wood or paint, or other infrastructure remedial activities is necessary.

"Contamination" or "contaminant" means any discharged hazardous substance as defined pursuant to section 3 of P.L.1976, c.141 (C.58:10-23.11b), hazardous waste as defined pursuant to section 1 of P.L.1976, c.99 (C.13:1E-38), pollutant as defined pursuant to section 3 of P.L.1977, c.74 (C.58:10A-3), or hazardous building material, including, but not limited to, asbestos, lead paint, and polychlorinated biphenyl.

"Department" means the Department of Environmental Protection.

"Developer" means any person that enters or proposes to enter into a redevelopment agreement with the authority pursuant to the provisions of section 13 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Director" means the Director of the Division of Taxation in the Department of the Treasury.

"Licensed site remediation professional” means an individual who is licensed by the Site Remediation Professional Licensing Board pursuant to section 7 of P.L.2009, c.60 (C.58:10C-7) or the department pursuant to section 12 of P.L.2009, c.60 (C.58:10C-12).

"Program" means the Brownfields Redevelopment Incentive Program established by section 11 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Project financing gap” means the part of the total remediation cost, including reasonable and appropriate return on investment, that remains to be financed after all other sources of capital have been accounted for, including, but not limited to, developer contributed capital, which shall not be less than 20 percent of the total remediation cost, and investor or financial entity capital or loans for which the developer, after making all good faith efforts to raise additional capital, certifies that additional capital cannot be raised from other sources.

"Redevelopment agreement” means an agreement between the authority and a developer under which the developer agrees to perform any work or undertaking necessary for the remediation of a contaminated site located at the site of the redevelopment project, and for the clearance, development or redevelopment, construction, or rehabilitation of any structure or improvement of commercial,
industrial, or public structures or improvements within an area of land whereon a brownfield site is located.

"Redevelopment project" means a specific construction project or improvement undertaken, pursuant to the terms of a redevelopment agreement, by a developer within an area of land whereon a brownfield site is located. A redevelopment project may involve construction or improvement upon lands, buildings, improvements, or real and personal property, or any interest therein, including lands under water, riparian rights, space rights, and air rights, acquired, owned, developed or redeveloped, constructed, reconstructed, rehabilitated, or improved.

"Remediation" or "remediate" means all necessary actions to investigate and clean up or respond to any known, suspected, or threatened discharge of contaminants, including, as necessary, the preliminary assessment, site investigation, remedial investigation, and remedial action, as those terms are defined in section 23 of P.L.1993, c.139 (C.58:10B-1); provided, however, "remediation" or "remediate" shall not include the payment of compensation for damage to, or loss of, natural resources.

"Remediation costs" means all reasonable costs associated with the remediation of a contaminated site, except any costs incurred in financing the remediation.

11. (New section) The Brownfields Redevelopment Incentive Program is established as a program under the jurisdiction of the New Jersey Economic Development Authority. The purpose of the program is to compensate developers of redevelopment projects located on brownfield sites for remediation costs. To implement this purpose, the authority shall issue tax credits. The total value of tax credits approved by the authority shall not exceed the limitations set forth in section 98 of P.L. , c. (C. ) (pending before the legislature as this bill).: For the purpose of determining the aggregate value of tax credits approved in a fiscal year, a tax credit shall be deemed to have been approved at the time the authority approves an application for an award of a tax credit. If the authority approves less than the total amount of tax credits authorized pursuant to this section in a fiscal year, the remaining amount, plus any amounts remaining from previous fiscal years, shall be added to the limit of subsequent fiscal years until that amount of tax credits are claimed or allowed. Any unapproved, uncertified, or recaptured portion of tax credits during any fiscal year may be carried over and reallocated in succeeding years.

12. (New section) a. A developer seeking a tax credit for a redevelopment project shall submit an application to the authority and the department in a form and manner prescribed in regulations adopted by the authority, in consultation with the department,
pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

b. A redevelopment project shall be eligible for a tax credit only if the developer demonstrates to the authority and the department at the time of application that:

(1) except as provided in subsection j. of this section, the developer has not commenced any remediation or clean up at the site of the redevelopment project, except for preliminary assessments and investigations, prior to applying for a tax credit pursuant to this section, but intends to remediate and redevelop the site immediately upon approval of the tax credit;

(2) the redevelopment project is located on a brownfield site;

(3) without the tax credit, the redevelopment project is not economically feasible;

(4) a project financing gap exists;

(5) the developer has obtained and submitted to the authority a letter evidencing support for the redevelopment project from the governing body of the municipality in which the redevelopment project is located; and

(6) each worker employed to perform remediation, or construction at the redevelopment project shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.). The prevailing wage requirements shall apply to redevelopment projects that are allowed a tax credit in excess of $500,000 for construction work through the completion of the redevelopment project. In the event a redevelopment project, or the aggregate of all redevelopment project approved for an award under the program, constitute a lease of more than 55 percent of a facility, the prevailing wage requirements shall apply to the entire facility.

c. A redevelopment project that received a reimbursement pursuant to sections 34 through 39 of P.L.1997, c.278 (C.58:10B-26 through 58:10B-31) shall not be eligible to apply for a tax credit under the program. If the authority receives an application and supporting documentation for approval of a reimbursement pursuant to sections 34 through 39 of P.L.1997, c.278 (C.58:10B-26 through 58:10B-31) prior to the effective date of sections 9 through 19 of P.L. , c. (C. ) (pending before the Legislature as this bill), then the authority may consider the application and award a tax credit to a developer, provided that the authority shall take final action on all applications for approval of a reimbursement pursuant to sections 34 through 39 of P.L.1997, c.278 (C.58:10B-26 through 58:10B-31) no later than July 1, 2019. No applications shall be submitted pursuant to sections 34 through 39 of P.L.1997, c.278 (C.58:10B-26 through 58:10B-31) after the effective date sections 9 through 19 of P.L. , c. (C. ) (pending before the Legislature as this bill).
d. (1) Prior to approval of an application, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether the developer is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan for the developer. The authority may also contract with an independent third party to perform a background check on the developer. Provided that the developer is in substantial good standing, or has entered into such an agreement, and following approval of an application by the board, the authority shall enter into a redevelopment agreement with the developer, as provided for in section 13 of P.L., c. (pending before the Legislature as this bill).

(2) The authority, in consultation with the department, may impose additional requirements upon an applicant through rule or regulation adopted pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), if the authority or the department determines the additional requirements to be necessary and appropriate to effectuate the purposes of sections 9 through 19 of P.L., c. (pending before the Legislature as this bill).

e. The authority, in consultation with the department, shall conduct a review of the applications through a competitive application process whereby the authority and the department shall evaluate all applications submitted by a date certain, as if all received applications were submitted on that date. In addition to the eligibility criteria set forth in subsection b. of this section, the authority may consider additional factors that may include, but shall not be limited to: the economic feasibility of the remediation project; the benefit of the remediation project to the community in which the remediation project is located; the degree to which the remediation project enhances and promotes job creation and economic development and addresses environmental concerns of communities that have been historically and disproportionately impacted by environmental hazards; and, if the developer has a board of directors, the extent to which that board of directors is diverse and representative of the community in which the remediation project is located. The authority, in consultation with the department, shall submit applications that comply with the eligibility criteria set forth in this section, fulfill the additional factors considered by the authority pursuant to this subsection, satisfy the submission requirements, and provide adequate information for the subject application, to the board for final approval.

f. The authority shall award tax credits to redevelopment projects until either the available tax credits are exhausted or all redevelopment projects that are eligible for a tax credit pursuant to the provisions of sections 9 through 19 of P.L., c. (pending before the Legislature as this bill).
(pending before the Legislature as this bill) receive a tax credit, whichever occurs first. If insufficient funding exists to allow a tax credit to a developer in accordance with the provisions of subsection a. of section 16 of P.L. , c. ( ) (pending before the Legislature as this bill), the authority may offer the developer a value of the tax credit below the amount provided for in subsection a. of section 16 of P.L. , c. ( ) (pending before the Legislature as this bill).

g. A developer shall pay to the authority or to the department, as appropriate, the full amount of the direct costs of an analysis concerning the developer’s application for a tax credit, which a third party retained by the authority or department performs, if the authority or department deems such retention to be necessary.

h. If the authority determines that a developer made a material misrepresentation on the developer’s application, the developer shall forfeit all tax credits awarded under the program.

i. If circumstances require a developer to amend its application to the authority, then the developer, or an authorized agent of the developer, shall certify to the authority that the information provided in its amended application is true, under the penalty of perjury.

j. A developer that has commenced remediation or clean up at the site of a redevelopment project prior to application may still apply for a tax credit under the program, if the developer certifies to the authority, under the penalty of perjury, that the developer was unaware of the extent of the site contamination when the developer commenced the redevelopment project.

13. (New section) a. Following approval of an application by the board, but prior to the start of any remediation or clean up at the site of the redevelopment project, the authority shall enter into a redevelopment agreement with the developer. The chief executive officer of the authority shall negotiate the terms and conditions of the redevelopment agreement on behalf of the State.

b. The redevelopment agreement shall specify the amount of the tax credit to be awarded to the developer, the date on which the developer shall complete the remediation, and the projected project remediation cost. The redevelopment agreement shall require the developer to submit progress reports to the authority and to the department every six months pursuant to section 15 of P.L. , c. ( ) (pending before the Legislature as this bill). The redevelopment agreement shall also require the developer to consent to the disclosure of tax expenditure information as described in paragraph (8) of subsection b. of section 1 of P.L.2009, c.189 (C.52:27B-20a).

c. The authority shall not enter into a redevelopment agreement with a developer unless:

(1) the redevelopment project complies with standards established by the authority in accordance with the green building manual prepared by the Commissioner of Community Affairs
pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding
the use of renewable energy, energy-efficient technology, and non-
renewable resources to reduce environmental degradation and
encourage long-term cost reduction;
(2) the redevelopment project complies with the authority’s
affirmative action requirements, adopted pursuant to section 4 of
P.L.1979, c.303 (C.34:1B-5.4); and
(3) the developer pays each worker employed to perform
remediation work or construction work at the redevelopment project
not less than the prevailing wage rate in accordance with the
requirements of paragraph (6) of subsection b. of section 12 of
P.L. , c. (C. ) (pending before the Legislature as this bill) for
the worker’s craft or trade, as determined by the Commissioner of
Labor and Workforce Development pursuant to P.L.1963, c.150
(C.34:11-56.25 et seq.).

d. The authority shall not enter into a redevelopment agreement
with a developer who is liable, pursuant to paragraph (1) of
subsection c. of section 8 of P.L.1976, c.141 (C.58:10-23.11g), for
the contamination at the brownfield site proposed to be in the
redevelopment agreement.

(1) Except as provided in paragraph (2) of this subsection,
the authority shall not enter into a redevelopment agreement for a
redevelopment project that includes at least one retail establishment
that will have more than 10 employees, or at least one distribution
center that will have more than 20 employees, unless the
redevelopment agreement includes a precondition that any business
that serves as the owner or operator of the retail establishment or
distribution center enters into a labor harmony agreement with a labor
organization or cooperating labor organizations which represent
retail or distribution center employees in the State.

(2) A labor harmony agreement shall be required only if the State
has a proprietary interest in the redevelopment project and shall
remain in effect for as long as the State acts as a market participant
in the redevelopment project. The authority may enter into a
redevelopment agreement with a developer without the labor
harmony agreement required under paragraph (1) of this subsection
only if the authority determines that the redevelopment project would
not be feasible if a labor harmony agreement is required. The
authority shall support the determination by a written finding, which
provides the specific basis for the determination.

(3) As used in this subsection, "labor harmony agreement" means
an agreement between a business that serves as the owner or operator
of a retail establishment or distribution center and one or more labor
organizations, which requires, for the duration of the agreement: that
any participating labor organization and its members agree to refrain
from picketing, work stoppages, boycotts, or other economic
interference against the business; and that the business agrees to
maintain a neutral posture with respect to efforts of any participating
labor organization to represent employees at an establishment or other unit in the retail establishment or distribution center, agrees to permit the labor organization to have access to the employees, and agrees to guarantee to the labor organization the right to obtain recognition as the exclusive collective bargaining representatives of the employees in an establishment or unit at the retail establishment or distribution center by demonstrating to the New Jersey State Board of Mediation, Division of Private Employment Dispute Settlement, or a mutually agreed-upon, neutral, third-party, that a majority of workers in the unit have shown their preference for the labor organization to be their representative by signing authorization cards indicating that preference. The labor organization or organizations shall be from a list of labor organizations that have requested to be on the list and that the Commissioner of Labor and Workforce Development has determined represent substantial numbers of retail or distribution center employees in the State.

f. The redevelopment agreement shall provide that issuance of a tax credit under the program shall be conditioned upon the subrogation to the department of all rights of the developer to recover remediation costs from any other person who discharges a hazardous substance or is in any way responsible, pursuant to section 8 of P.L.1976, c.141 (C.58:10-23.11g), for a hazardous substance that was discharged at the brownfield site.

g. A developer may seek a revision to the redevelopment agreement if the developer cannot complete the remediation on or before the date set forth in the redevelopment agreement. A developer’s ability to change the date on which the developer shall complete the remediation shall be subject to the availability of tax credits in the year of the revised date of completion.

h. A developer shall submit to the authority satisfactory evidence of the actual remediation costs, as certified by a certified public accountant, evidence of completion of the remediation, and a certification that all information provided by the developer to the authority is true, including information contained in the application, the redevelopment agreement, any amendment to the redevelopment agreement, and any other information submitted by the developer to the authority pursuant to sections 9 through 19 of P.L. , c. (C. ) (pending before the Legislature as this bill). The developer, or an authorized agent of the developer, shall certify under the penalty of perjury that the information provided pursuant to this subsection is true.

i. The redevelopment agreement shall include a requirement that the chief executive officer of the authority receive annual reports from the Department of Environmental Protection, the Department of Labor and Workforce Development, and the Department of the Treasury that demonstrating the developer, and each contractors and subcontractor performing work on the redevelopment project, is in substantial good standing with the respective department, or has
entered into an agreement with the respective department that
includes a practical corrective action plan for the developer. The
redevelopment agreement shall also include a provision allowing
authority to recapture the tax credits for any year in which any such
report is not received. The redevelopment agreement shall also
require a developer to engage in on-site consultations with the
Division of Workplace Safety and Health in the Department of
Health.

14. (New section) To qualify for a tax credit under the program,
a developer shall:
   a. enter into a memorandum of agreement or other oversight
document with the Commissioner of Environmental Protection in
   accordance with the provisions of section 37 of P.L.1997, c.278
   (C.58:10B-29); or
   b. comply with the requirements set forth in subsection b. of
   section 30 of P.L.2009, c.60 (C.58:10B-1.3) for the remediation of
   the site of the redevelopment project.

15. (New section) Commencing with the date six months
   following the date the authority and a developer execute a
   redevelopment agreement and every six months thereafter until
   completion of the project, the developer shall submit an update of the
   status of the redevelopment project to the authority and to the
department, including the remediation costs incurred by the
developer for the remediation of the contaminated property located
at the site of the redevelopment project. Unless the authority
determines that extenuating circumstances exist, the authority's
approval of a tax credit shall expire if the authority, the department,
or both, do not timely receive the status update required under this
section. The authority may rescind an award of tax credits under the
program if a redevelopment project fails to advance in accordance
with the redevelopment agreement.

16. (New section) a. Upon completion of the redevelopment
   project, the developer shall seek certification from the department
   that:
   (1) the redevelopment project is complete;
   (2) the developer complied with the requirements of section 15 of
   P.L. , c. (C. ) (pending before the Legislature as this bill),
   including the requirements of any memorandum of agreement or
   other oversight document that the developer may have executed with
   the Commissioner of Environmental Protection pursuant to that
   section; and
   (3) the remediation costs were actually and reasonably incurred.
Upon receipt of certification, and confirmation by the authority that
the developer’s obligations under the redevelopment agreement have
been met, a developer shall be awarded a credit against the tax
imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) in an
amount not to exceed 40 percent of the actual remediation costs, or
40 percent of the projected remediation costs as set forth in the
redevelopment agreement, or $4,000,000, whichever is least. The
developer, or an authorized agent of the developer, shall certify that
the information provided to the department and the authority
pursuant to this subsection is true under the penalty of perjury.

b. When filing an application for certification pursuant to
subsection a. of this section, the developer shall submit to the director
the total remediation costs incurred by the developer for the
remediation of the subject property located at the site of the
redevelopment project as provided in the redevelopment agreement
and certified by a certified public accountant, information concerning
the occupancy rate of the buildings or other work areas located on
the property subject to the redevelopment agreement, and such other
information as the director deems necessary in order to make the
certifications and findings pursuant to this section.

c. A developer shall apply the credit awarded against the
developer’s liability for the tax imposed pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5) for the privilege period during which
the director awards the developer a tax credit pursuant to subsection
a. of this section. A developer shall not carry forward any unused
credit. Credits awarded to a partnership shall be passed through to
the partners, members, or owners, respectively, pro-rata, or pursuant
to an executed agreement among the partners, members, or owners
documenting an alternate distribution method provided to the director
accompanied by any additional information as the director may
prescribe.

d. The director shall prescribe the order of priority of the
application of the credit awarded under this section and any other
credits allowed by law against the tax imposed under section 5 of
P.L.1945, c.162 (C.54:10A-5). The amount of the credit applied
under this section against the tax imposed pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5) for a privilege period, together with
any other credits allowed by law, shall not reduce the tax liability to
an amount less than the statutory minimum provided in subsection
(e) of section 5 of P.L.1945, c.162 (C.54:10A-5).

17. (New section) a. A developer may apply to the director and
the chief executive officer of the authority for a tax credit transfer
certificate, during the privilege period in which the director awards
the developer a tax credit pursuant to section 16 of P.L.
c. (C. ) (pending before the Legislature as this bill), in lieu of
the developer being allowed to apply any amount of the tax credit
against the developer’s State tax liability. The tax credit transfer
certificate, upon receipt thereof by the developer from the director
and the chief executive officer of the authority, may be sold or
assigned, in the privilege period during which the developer receives
the tax credit transfer certificate from the director, to another person,
who may apply the credit against a tax liability pursuant to section 5
of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132
(C.17:32-15), or N.J.S.17B:23-5. The tax credit transfer certificate
provided to the developer shall include a statement waiving the
developer’s right to claim the credit that the developer has elected to
sell or assign.

b. The developer shall not sell or assign a tax credit transfer
certificate allowed under this section for consideration received by
the developer of less than 85 percent of the transferred credit amount
before considering any further discounting to present value which
shall be permitted, except a developer of a residential project
consisting of newly-constructed residential units that has received
federal low income housing tax credits under 26 U.S.C.
s.42(b)(2)(B)(i) may assign a tax credit transfer certificate for
consideration of no less than 75 percent subject to the submission of
a plan to the authority and the New Jersey Housing and Mortgage
Finance Agency to use the proceeds derived from the assignment of
tax credits to complete the residential project. The tax credit transfer
certificate issued to a developer by the director shall be subject to any
limitations and conditions imposed on the application of State tax
credits pursuant to section 16 of P.L. , c. (C. ) (pending before
the Legislature as this bill) and any other terms and conditions that
the director may prescribe.

c. A purchaser or assignee of a tax credit transfer certificate
pursuant to this section shall not make any subsequent transfers,
assignments, or sales of the tax credit transfer certificate.

d. The authority shall publish on its Internet website the
following information concerning each tax credit transfer certificate
approved by the authority and the director pursuant to this section:

(1) the name of the transferor;
(2) the name of the transferee;
(3) the value of the tax credit transfer certificate;
(4) the State tax against which the transferee may apply the tax
credit; and
(5) the consideration received by the transferor.

18. (New section) Beginning the year next following the year in
which sections 9 through 19 of P.L. , c. (C. ) (pending before
the Legislature as this bill) take effect and every two years thereafter,
a State college or university established pursuant to chapter 64 of
Title 18A of the New Jersey Statutes shall, pursuant to an agreement
executed between the State college or university and the authority,
prepare a report on the implementation of the program, and submit
the report to the authority, the Governor, and, pursuant to section 2
report required under this section shall include a description of each
redevelopment project receiving a tax credit under the program, a
detailed analysis of the consideration given in each project to the
factors set forth in sections 12 and 13 of P.L. , c. (C. )
(pending before the Legislature as this bill), the return on investment
for incentives awarded, the redevelopment project’s impact on the
State’s economy, and any other metrics the State college or university
determines are relevant based upon national best practices. The
authority shall prepare a written response to the report, which the
authority shall submit to the Governor and, pursuant to section 2 of

19. (New section) Notwithstanding the provisions of the
seq.), to the contrary, the chief executive officer of the authority, in
consultation with the Commissioner of Environmental Protection,
may adopt, immediately upon filing with the Office of
Administrative Law, regulations that the chief executive officer and
commissioner deem necessary to implement the provisions of
sections 9 through 19 of P.L. , c. (C. ) (pending before the
Legislature as this bill), which regulations shall be effective for a
period not to exceed 180 days from the date of the filing. The chief
executive officer, in consultation with the Commissioner of
Environmental Protection, shall thereafter amend, adopt, or readopt
the regulations in accordance with the requirements of P.L.1968,
c.410 (C.52:14B-1 et seq.). The rules shall require annual reporting
by developers that receive tax credits pursuant to the program, in
addition to the regular progress updates and .Developers shall obtain
certifications by the Department of Labor and Workforce
Development, the Department of Environmental Protection, and the
Department of the Treasury stating that the developer, and each
contractor and subcontractor performing work on the redevelopment
project, is in substantial good standing with the respective
department, or has entered into an agreement with the respective
department that includes a practical corrective action plan. The rules
and regulations adopted pursuant to this section shall also include a
provision to require that developers forfeit all tax credits awarded in
any year in which any such report is not received, and to allow the
authority to extend, in individual cases, the deadline for any annual
reporting or certification requirement established pursuant to this
section.

20. (New section) Sections 20 through 34 of P.L. , c. (C. )
(pending before the Legislature as this bill) shall be known and may
be cited as the "New Jersey Innovation Evergreen Act."

21. (New section) As used in sections 20 through 34 of P.L. ,
c. (C. ) (pending before the Legislature as this bill):
"Authority" means the New Jersey Economic Development Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

"Director" means the Director of the Division of Taxation in the Department of the Treasury.

"Follow-on investment" means a subsequent investment made by an investor who has a previous investment in a New Jersey high-growth business.

"Fund" means the "New Jersey Innovation Evergreen Fund" established by section 23 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"High-growth business" means a business that is growing significantly faster than the average growth rate of the economy or is a start-up company that is investing in developing a product or new business model that will allow it to grow significantly faster than the average growth rate of the economy within the next three to five years.

"Incentive area" means an area in this State: (1) designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan); or (2) that has been designated as a qualified opportunity zone pursuant to 26 U.S.C. s.1400Z-1.

"Innovation ecosystem" means funding, programs, and events that support the establishment and expansion of high-growth companies in targeted sectors. Examples of such funding, programs, and events include: mentoring programs for start-ups, meet-up or networking events, funding for locating a business in a collaborative workspace, programs that provide businesses services, and entrepreneurial education to companies.

"Opportunity zone" means a federal population census tract in this State that was eligible to be designated as a qualified opportunity zone pursuant to 26 U.S.C. s.1400Z-1 as may be amended.

"Principal business operations" means at least 50 percent of the business’s employees, who are not primarily engaged in retail sales, reside in the State, or at least 50 percent of the business’s payroll for employees not primarily engaged in retail sales is paid to individuals living in this State.

"Program" means the New Jersey Innovation Evergreen Program established by section 22 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Purchaser" means an entity registered to do business in this State with the Director of the Division of Revenue and Enterprise Services in the Department of the Treasury that purchases an allocation of tax credits under the program.

"Qualified business" means a business that, at the time of the first qualified investment in the business and throughout the period of the qualified investment under the program, is registered to do business in this State with the Director of the Division of Revenue and Enterprise Services in the Department of the Treasury; has its
principal business operations located in the State and intends to
maintain its principal business operations in the State after receiving
a qualified investment under the program; is engaged in a targeted
industry; and employs fewer than 250 persons at the time of the
qualified investment.

"Qualified investment" means the direct investment of money by
the fund in a qualified business for the purchase of shares of stock,
with an additional investment in an option or warrant or a follow-on
investment, in the discretion of the authority, all of which is matched
by an investment by a qualified venture firm.

"Qualified venture firm" means a venture firm that is approved by
the authority as a qualified venture firm pursuant to section 29 of
P.L. , c. (C. ) (pending before the Legislature as this bill).

"Special purpose vehicle" means an entity controlled by or under
common control with a venture firm that is formed solely for the
purpose of investing in a New Jersey high-growth business alongside
the venture firm.

"Targeted industry" means any industry identified from time to
time by the authority which shall initially include advanced
transportation and logistics, advanced manufacturing, aviation,
autonomous vehicle and zero-emission vehicle research or
development, clean energy, life sciences, hemp processing,
information and high technology, finance and insurance, professional
services, film and digital media, and non-retail food and beverage
businesses, including food innovation and other innovative industries
that disrupt current technologies or business models.

"Venture firm" means a partnership, corporation, trust, or limited
liability company that invests cash in a business during the early or
expansion stages of a business in exchange for an equity stake in the
business in which the investment is made. Venture firm may include
a venture capital fund, a family office fund, or a corporate investor
fund, provided that a professional manager administers the venture
firm.

22. (New section) The New Jersey Innovation Evergreen
Program is established as a program under the jurisdiction of the New
Jersey Economic Development Authority. The purpose of the
program is to invest in innovation as a catalyst for economic growth
and to advance the competitiveness of the State’s businesses in the
global economy. Beginning on the effective date of sections 20
through 34 of P.L. , c. (C. ) (pending before the Legislature
as this bill), the authority shall auction up to $300,000,000 in tax
credits in annual amounts not to exceed the limitations set forth in
section 98 of P.L. , c. (C. ) (pending before the legislature as
this bill). The authority shall not undertake an auction if, exclusive
of reserves, including the reserve set aside for follow-on investments
pursuant to subsection d. of section 23 of P.L. , c. (C. )
(pending before the Legislature as this bill), more than $15,000,000
is available to the authority, from money received from any prior 
auction of tax credits pursuant to the program, to allocate to qualified 
venture firms.

23. (New section) a. The authority shall establish and maintain 
a dedicated fund to be known as the "New Jersey Innovation 
Evergreen Fund." The authority shall use the money in the fund to 
carry out the purposes enumerated in subsections b. and c. of this 
section. The authority shall credit the fund with money paid by 
purchasers; distributions from payments or repayments made to the 
authority in accordance with subsection c. of section 31 of P.L.   , 
c. (C.  ) (pending before the Legislature as this bill); earnings 
received, if any, from the investment or reinvestment of money 
credited to the fund; and any money which, from time to time, may 
otherwise become available for the purposes of the fund.
b. The authority shall allocate the money in the fund to qualified 
venture firms to make qualified investments of capital in qualified 
businesses through a special purpose vehicle in accordance with 
section 30 of P.L.   , c. (C.   ) (pending before the Legislature as this bill) and to pay the administrative, legal, and auditing 
expenses of the authority incurred in the administration of the 
program. In addition, the authority shall use 75 basis points of the 
total amounts deposited in the fund, calculated on an annual basis, 
for programs administered by the authority that create an innovation 
ecosystem that supports and promotes high-growth businesses in the 
State.
c. The authority shall deposit into the fund dividends and returns 
on investments paid to the authority by or on behalf of a qualified 
business. Upon the fund holding total deposits of $500,000,000 and 
thereafter upon a qualified investment in a qualified business 
achieving a return on investment of twice the original and follow-on 
investment, 50 percent of any return on investment in excess of twice 
the original and follow-on investment shall be paid to the General 
Fund of the State.
d. The authority shall account for and calculate reserves for 
follow-on investments, programs that support the State’s innovation 
ecosystem, and administrative, legal, and auditing expenses of the 
authority in administering the program. The authority shall not 
include these reserves when calculating the amount in the fund 
available for new qualified investments.

24. (New section) a. The authority shall sell the tax credits 
authorized pursuant to section 22 of P.L.   , c. (C.   ) (pending 
before the Legislature as this bill) to purchasers through a 
competitive auction process.
b. The authority shall determine the form and manner in which 
potential purchasers may bid for tax credits available under the
program. To be awarded a tax credit under the program, a potential purchaser shall:
(1) specify the requested amount of tax credits, which shall not be less than $1,000,000;
(2) specify the amount the potential purchaser will pay in exchange for the requested amount of tax credits, which shall not be less than 85 percent of the requested dollar amount of tax credits;
(3) commit to serve on the New Jersey Innovation Evergreen Advisory Board, established pursuant to section 32 of P.L. , c. (C. ) (pending before the Legislature as this bill), and to otherwise provide mentorship, networking, and collaboration opportunities to qualified businesses that receive funding under the program; and
(4) provide any other information that the chief executive officer of the authority determines is necessary.

Prior to an auction, the authority shall establish and disclose to bidders the weighted criteria the authority will utilize, which the authority shall base on the price offered to purchase the tax credits and the quality of the mentorship and networking opportunities and other support of the State’s innovation ecosystem offered by a purchaser in its bid. The authority may pro rata the amount of tax credits allocated to each purchaser. A potential purchaser that submits a bid for tax credits under this section shall receive a written notice from the authority indicating whether the authority has approved it as a purchaser of tax credits and, if so, the amount of tax credits approved.

Except as provided in section 22 of P.L. , c. (C. ) (pending before the Legislature as this bill), the authority shall hold one competitive auction per calendar year.

The authority may contract with an independent third party to conduct the competitive bidding process through which State tax credits issued by the authority may be sold.

25. (New section) a. A purchaser that submits a successful bid for the purchase of tax credits pursuant to section 24 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall enter into a contract with the authority that includes payment information and the commitments made by the purchaser in its auction bid. A purchaser that submits a successful bid for the purchase of tax credits pursuant to section 24 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall pay by wire transfer the amount specified in its auction bid to the authority for deposit into the fund. Upon receipt thereof, the chief executive officer shall notify the director to issue tax credits in the amount approved. Failure by the purchaser to pay the amount agreed upon on time may disqualify the purchaser from purchasing the tax credits and the authority may reassign the right to purchase the credits to another bidder. Failure by the purchaser to adhere to the commitments made in its auction
bid may disqualify the purchaser from participating in future auctions
and may result in the recapture of a portion of the tax credits.

b. The authority shall credit to the fund any money paid to the
authority by a purchaser for an allocation of tax credits under the
program.

c. The authority shall ensure that no undue financial advantage
shall inure to a purchaser that also is: managing a qualified venture
firm; beneficially owning, through rights, options, convertible
interests, or otherwise, more than 15 percent of the voting securities
or other voting ownership interests of a qualified venture firm; or
controlling the direction of investments for a qualified venture firm.
The chief executive officer of the authority shall certify that the
authority is monitoring the activities of such purchasers and has taken
appropriate steps to ensure no undue financial advantage inures to the
purchasers.

26. (New section) a. A purchaser shall apply a credit awarded
pursuant to sections 20 through 34 of P.L. , c. (C. ) (pending
before the Legislature as this bill) against the State tax liability due
pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) of the
purchaser for the current privilege period as of the date of the credit's
approval. A purchaser may carry forward an unused credit resulting
from the limitations of subsection b. of this section, if necessary, for
use in the seven privilege periods next following the privilege period
for which the credit is awarded.

b. The director shall prescribe the order of priority of the
application of the credits awarded under sections 20 through 34 of
P.L. , c. (C. ) (pending before the Legislature as this bill) and
any other credits allowed by law. The amount of a credit applied
under sections 20 through 34 of P.L. , c. (C. ) (pending before
the Legislature as this bill) against the tax imposed pursuant to
section 5 of P.L.1945, c.162 (C.54:10A-5) for a privilege period,
together with any other credits allowed by law, shall not reduce the
tax liability of the purchaser to an amount less than the statutory
minimum provided in subsection (c) of section 5 of P.L.1945, c.162
(C.54:10A-5).

27. (New section) a. A purchaser may apply to the authority and
the director for a tax credit transfer certificate, in the privilege period
during which the director allows the purchaser a tax credit pursuant
to sections 20 through 34 of P.L. , c. (C. ) (pending before
the Legislature as this bill), in lieu of the purchaser being allowed to
apply any amount of the tax credit against the purchaser's State tax
liability. A tax credit may be sold or assigned, in full or in part, to
another person that may have a tax liability pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5). The tax credit transfer certificate
provided to the purchaser shall include a statement waiving the
purchaser’s right to claim the credit that the purchaser has elected to sell or assign.

b. The purchaser shall not sell or assign a tax credit transfer certificate allowed under this section for consideration received by the purchaser of less than 85 percent of the transferred credit amount before considering any further discounting to present value which shall be permitted. The tax credit transfer certificate issued to a purchaser by the director shall be subject to any limitations and conditions imposed on the application of State tax credits pursuant to section 26 of P.L. , c. (C. ) (pending before the Legislature as this bill) and any other terms and conditions that the director may prescribe.

c. A buyer or assignee of a tax credit transfer certificate pursuant to this section shall not make any subsequent transfers, assignments, or sales of the tax credit transfer certificate.

d. Ten percent of the consideration received by a purchaser from the sale or assignment of a tax credit transfer certificate pursuant to this section shall be remitted to the director and deposited in the General Fund of the State.

e. The authority shall publish on its Internet website the following information concerning each tax credit transfer certificate approved by the authority and the director pursuant to this section:

(1) the name of the transferor;
(2) the name of the transferee;
(3) the value of the tax credit transfer certificate;
(4) the State tax against which the transferee may apply the tax credit; and
(5) the consideration received by the transferor.

28. (New section) a. The authority shall establish an application process and determine the form and manner through which a venture firm may make and file an application for certification as a qualified venture firm. The authority may accept applications on a rolling basis or on a date set by the authority.

b. In evaluating applicants for certification as a qualified venture firm, the authority shall establish weighted criteria by which the authority will evaluate all venture firms applying in the same calendar year and shall establish a minimum acceptable score. The criteria shall include, but not be limited to:

(1) the management structure of the applicant, including:
   (a) quality of the leadership, including willingness to work with the authority to support targeted industries and the innovation ecosystem in the State, and to locate in the State;
   (b) the investment experience of the principals with qualified businesses;
   (c) the knowledge, experience, and capabilities of the applicant in subject areas relevant to high-growth businesses in the State;
(d) the tenure and turnover history of principals and senior investment professionals of the applicant;

(e) whether the State's investment with the applicant under this program would exceed 15 percent of the total invested in the applicant by all investors, including investments in any special purpose vehicles;

(f) the applicant's stage of fundraising; and

(g) whether fees, expenses, and the remuneration of the general partner or manager are similar to those of peer investors;

(2) the applicant's investment strategy, including:

(a) the applicant's track record of investing in high-growth businesses;

(b) whether the investment strategy of the applicant is focused on high-growth businesses, including the percentage of the investment identified to be invested in New Jersey or surrounding geographic areas; and

(c) the performance history of the general partner or fund manager based on a review of investment returns on individual funds on an absolute basis and relative to peers; and

(3) The location of the applicant's venture firm and the proposed structure of the applicant venture firm's investments in qualified businesses, with preference given to applicant venture firms that are located in incentive areas and to applicant venture firms that agree to dedicate a greater portion of qualified investments into qualified businesses located within incentive areas.

29. (New section) a. The authority shall certify or refuse to certify a venture firm as a qualified venture firm based on the criteria for certification set forth in section 28 of P.L.  , c. (C. ) (pending before the Legislature as this bill), and subsections b. and c. of this section.

b. The authority shall not certify a venture firm as a qualified venture firm if the venture firm has: (1) an equity capitalization, net assets, or written commitments of less than $10,000,000 in the form of cash or cash equivalents on the date the determination for certification is made; or (2) fewer than two principals or persons employed to direct the qualified investment of capital with at least five years of money management experience in the venture capital or private equity sectors on the date the determination for certification is made. The authority may adopt, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules setting forth additional disqualifying criteria and adjusting the minimum equity capitalization, net assets, or written commitments of a qualified venture firm.

c. Prior to certifying a venture firm as a qualified venture firm, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the
authority whether the venture firm is in substantial good standing
with the respective department, or has entered into an agreement with
the respective department that includes a practical corrective action
plan for the venture firm. The authority may also contract with an
independent third party to perform a background check on the
venture firm.

d. The authority shall provide written notification to each
venture firm that is certified as a qualified venture firm by the
authority and shall provide written notification to each venture firm
that the authority refuses to certify as a qualified venture firm,
communicating in detail the grounds for the authority’s refusal. The
authority shall review each qualified venture firm annually for the
disqualifying criteria set forth in subsection b. of this section or other
reasonable industry-accepted standards as determined by the
authority. The authority may decertify a qualified venture firm at any
time pursuant to the disqualifying criteria set forth in subsection b.
of this section. Decertification shall not affect any previously made
qualified investment or the fund’s commitment to make a follow-on
investment in a qualified business.

30. (New section) a. (1) The authority is authorized to allocate
money credited to the fund to one or more qualified venture firms for
qualified investments at the times, in the amounts, and subject to the
terms and conditions that the authority shall determine to be
necessary and appropriate to effectuate the purposes of sections 20
through 34 of P.L. , c. (C. ) (pending before the Legislature
as this bill); provided that no more than two qualified investments
shall be made with each qualified venture firm in a calendar year.
(2) Each qualified investment shall not exceed $5,000,000 in
initial investment, exclusive of follow-on investments; provided,
however, if a qualified investment is in a business: (a) which utilizes
intellectual property that is core to the its business model and was
developed at a New Jersey-based college or university; (b) is
considered a university spin-off business as determined by the
authority; or (c) is certified by the State as a "minority business" or a
"women’s business” pursuant to P.L.1986, c.195 (C.52:27H-21.17 et
seq.), then the qualified investment shall not exceed $6,250,000 in
initial investment, exclusive of follow-on investments.
(3) The fund shall not invest in a qualified venture firm if the
authority determines that an undue financial advantage would inure
to a purchaser if the investment occurs or if the investment would be
inconsistent with the investment policies and goals of the State.
(4) The authority shall have a goal for 25 percent of the fund
money that is allocated to qualified venture firms is reserved for
investment in businesses located in opportunity zones.
(5) Within one year of the effective date of P.L. , c. (C. )
(pending before the Legislature as this bill), the authority shall
undertake a disparity study of investment by venture firms in women-
and minority-owned business enterprises in this State. Based on the
finding of the disparity study, the authority, following board
approval, may institute a set-aside plan to ensure that fund money
allocated to qualified venture firms is reserved for investment in
women- and minority-owned business enterprises in this State.

b. The authority shall make and enter into an agreement with
each qualified venture firm to which the authority allocates money
under the program. The agreement shall include provisions that
require the qualified venture firm to:

1. make investments in qualified businesses that equal or exceed
   the amount of capital received by the qualified venture firm from the
   fund under the program;

2. cause an audit of the qualified venture firm’s books and
   accounts, which a certified public accountant, who is licensed in
   (C.45:2B-42 et seq.), or licensed in accordance with the laws of
   another state, shall conduct at least once in each year in which the
   qualified venture firm is in receipt of fund money or in which the
   qualified venture firm is responsible for the management of fund
   money allocated to the qualified venture firm by the authority;

3. enter into an agreement with each qualified business that
   receives a qualified investment, which agreement shall, at a
   minimum, require the qualified business to use the qualified
   investment of capital to support its business operations in this State
   and to provide the information required under section 31 of P.L.    ,
   c. (C.       ) (pending before the Legislature as this bill);

4. upon the identification of a qualified investment, create a
   special purpose vehicle for the qualified investment of the fund;

5. upon the identification of a qualified investment, indicate the
   amount of follow-on investment the authority should reserve, and
   periodically provide updates concerning this amount;

6. agree that the qualified venture firm will publicize its
   participation in the "New Jersey Innovation Evergreen Fund;"

7. consent to the authority publicly disclosing the qualified
   venture firm on the list of qualified investment firms participating in
   the program; and

8. consent to the disclosure of tax expenditure information as
   described in paragraph (8) of subsection b. of section 1 of P.L.2009,
   c.189 (C.52:27B-20a).

c. A qualified venture firm that has made and entered into an
   agreement with the authority in accordance with subsection b. of this
   section is authorized to make qualified investments of capital in one
   or more qualified businesses from fund money allocated to the
   qualified venture firm by the authority at the times, in the amounts,
   and subject to the terms and conditions that the qualified venture firm
determines to be necessary and appropriate. The authority may limit
the amount of allocated fund money that a qualified venture firm
invests in a qualified business based upon the size of investments the
qualified business has received, the source of the investments, and the industry in which the qualified business is engaged.

31. (New section) a. A qualified venture firm shall annually report to the authority:
   (1) the amount of the qualified investment, if any, uninvested at the end of the preceding calendar year;
   (2) all qualified investments made during the preceding calendar year, including the number and wages of employees of each qualified business at the time the venture firm made the qualified investment and as of December 31 of that year;
   (3) for any qualified investment in which the qualified venture firm no longer has a position as of the end of the calendar year, the number of employees of the business as of the date the investment was terminated;
   (4) financials, audited by a certified public accountant, who is licensed in accordance with the "Accountancy Act of 1997," P.L.1997, c.259 (C.45:2B-42 et seq.), or licensed in accordance with the laws of another state, of the qualified venture firm and the special purpose vehicle that include a consolidated summary of the performance of the qualified venture firm. Any information about the performance of an individual business, including the qualified business, shall be considered confidential and not subject to the requirements of P.L.1963, c.73 (C.47:1A-1 et seq.); and
   (5) any other information the authority requires to ascertain the impact of the program on the economy of the State.

b. With respect to the information required under paragraphs (1) through (4) of subsection a. of this section, the report shall include a statement prepared by a certified public accountant, who is licensed in accordance with the "Accountancy Act of 1997," P.L.1997, c.259 (C.45:2B-42 et seq.), or licensed in accordance with the laws of another state, certifying that the accountant has reviewed the report and that the information and representations contained in the report are accurate.

c. Not later than 60 days after the sale or other disposition of a qualified investment, the qualified venture firm shall provide to the authority a report on the amount of the stock sold or disposed of and the consideration received for the sale or disposition. The report shall detail the cumulative effect of sequentially introduced positive or negative values and include the gross income and details of any offsetting fees that reduce the net distribution. Any dividend or proceeds received by the authority for the sale or other disposition of a qualified investment shall be deposited into the fund and used in accordance with section 23 of P.L. , c. (C. ) (pending before the Legislature as this bill).

d. A qualified venture firm shall, as required at the discretion of the authority, submit to the authority satisfactory evidence supporting the information detailed in the annual report and
certifying that all information provided by the qualified venture firm to the authority is true, including information contained in the application for certification, the agreement between the qualified venture firm and authority, any amendment to that agreement, and any other information submitted by the qualified venture firm to the authority pursuant to sections 20 through 34 of P.L. , c. (C. ) (pending before the Legislature as this bill). The qualified venture firm, or an authorized agent of the qualified venture firm, shall certify under the penalty of perjury that the information provided pursuant to this section is true.

32. (New section) The New Jersey Innovation Evergreen Advisory Board is established in but not of the authority for the purposes of providing guidance and networking opportunities to qualified businesses. The members of the board shall serve in a voluntary capacity, to be appointed through a process to be determined by the chief executive officer of the authority from among purchasers and other strategic partners identified by the chief executive officer, to support the State’s innovation ecosystem. The terms of the voluntary members so appointed, after the initial appointments, shall be one year, and each member may be reappointed.

33. (New section) Beginning the year next following the year in which sections 20 through 34 of P.L. , c. (C. ) (pending before the Legislature as this bill) take effect and every two years thereafter, the authority shall prepare a report on the implementation of the program, and submit the report to the Governor, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature. Each biennial report required under this section shall include the names and locations of qualified businesses receiving capital; the amount of each qualified investment; a report by a certified public accountant, who is licensed in accordance with the "Accountancy Act of 1997," P.L.1997, c.259 (C.45:2B-42 et seq.), or licensed in accordance with the laws of another state, of the consolidated performance of the fund; the cumulative amount of capital committed by purchasers; the rate and amount of fees charged by each qualified venture firm, including performance-based earnings and carried interest; the classification of each qualified business, according to the industrial sector and the size of the qualified business; the State’s return on investment; the total number of jobs created in the State by the qualified business after the qualified investment; the average wages paid for the jobs; and any other metrics the authority determines are relevant based upon national best practices.

34. (New section) Notwithstanding the provisions of the "Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the chief executive officer of the authority may
35. (New section) Sections 35 through 42 of P.L.    , c. (C. ) (pending before the Legislature as this bill) shall be known and may be cited as the "Food Desert Relief Act."

36. (New section) a. The Legislature finds and declares that: (1) there are certain areas of the State, known as "food desert" communities, in which residents are unable to obtain reasonable and adequate access to nutritious foods and, in particular, to fresh fruits and vegetables; (2) the inaccessibility of nutritious food in food desert communities has been attributed, in large part, to the absence of supermarkets and grocery stores in those communities; (3) low-income families are more likely than others to live in food desert communities and to lack the transportation or financial resources necessary to reach distant wholesome markets; and (4) the establishment of financial incentives to supermarkets, grocery stores, mid-sized food retailers, and small food retailers is a reasonable means by which to ensure that residents of food desert communities in the State are provided with reasonable access to nutritious, fresh, and delicious produce, and are afforded the opportunity thereby to make healthier eating choices for themselves and for their families.

b. The Legislature therefore determines that it is both reasonable and necessary to authorize the New Jersey Economic Development Authority to establish a program that provides financial assistance to supermarkets, grocery stores, mid-sized food retailers, and small food retailers to establish and retain locations in food desert communities in order to provide a consistent, and easily accessible, source of fresh produce to residents in those communities.

37. (New section) As used in sections 35 through 42 of P.L.    , c. (C. ) (pending before the Legislature as this bill):

"Authority" means the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

"Department" means the Department of Agriculture.

"Eligible equipment costs" means expenditures for the procurement of such equipment as is needed to allow a mid-sized food retailer or small food retailer to store, refrigerate, or otherwise maintain nutritious foods, including fresh fruits and vegetables, for
retail purposes, but within a standard range based upon industry standards, as determined by the authority.

“Eligible technology costs” means expenditures for the procurement or upgrade of technology systems to support online ordering and e-commerce, including but is not limited to computer hardware, software, internet connectivity, and database systems.

"Food desert community" means a physically contiguous area in the State in which residents have limited access to nutritious foods, such as fresh fruits and vegetables, through supermarkets and grocery stores, and which has been designated as a food desert community pursuant to subsection b. of section 38 of P.L. , c. (pending before the Legislature as this bill).

"Initial operating costs" means expenditures for the operation of a supermarket or grocery store within the first three years after opening to the public, but within a standard range based upon industry standards, as determined by the authority.

“Mid-sized food retailer” means a medium-sized retail outlet with at least 2,500 but less than 16,000 square feet, of which at least 75 percent is occupied by food and related products.

"Program” means the Food Desert Relief Program established in section 38 of P.L. , c. (pending before the Legislature as this bill).

"Project cost" means the costs incurred in connection with the establishment of a supermarket or grocery store within a food desert community by the developer until the opening of the supermarket or grocery store to the public, including the costs relating to lands, buildings, improvements, real or personal property, or any interest therein, including leases discounted to present value, including lands under water, riparian rights, space rights and air rights acquired, owned, developed or redeveloped, constructed, reconstructed, rehabilitated or improved, any environmental remediation costs, plus costs not directly related to construction, of an amount not to exceed 20 percent of the total costs, capitalized interest paid to third parties, and the cost of infrastructure improvements, including ancillary infrastructure projects.

"Project financing gap” means the part of the total project cost, including return on investment, that remains to be financed after all other sources of capital have been accounted for, including, but not limited to, developer-contributed capital, which shall not be less than 20 percent of the total project cost, which may include the value of any existing land and improvements in the project area owned or controlled by the developer, and the cost of infrastructure improvements in the public right-of-way, and investor or financial entity capital or loans for which the developer, after making all good faith efforts to raise additional capital, certifies that additional capital cannot be raised from other sources on a non-recourse basis.

“Small food retailer” means a small retail outlet, with less than 2,500 square feet, that sells a limited selection of foods and other
products, such as a bodega, convenience store, corner store, neighborhood store, small grocery, or small-scale store.

"Supermarket or grocery store" means a retail outlet with at least 16,000 square feet, of which at least 90 percent is occupied by food and related products.

38. (New section) a. (1) There is established the Food Desert Relief Program to be administered by the New Jersey Economic Development Authority. The program shall include tax credit components, as provided in sections 39 and 40 of P.L. , c. (C. and C. ) (pending before the Legislature as this bill), in order to incentivize businesses to establish and retain new supermarkets and grocery stores in food desert communities.

(2) The total value of tax credits approved by the authority pursuant to sections 39 and 40 of P.L. , c. (C. and C. ) (pending before the Legislature as this bill) shall not exceed the limitations set forth in section 98 of P.L. , c. (C. ) (pending before the legislature as this bill).

b. The authority, in consultation with the Department of Agriculture and the Department of Community Affairs, shall initially designate not more than 50 separate geographic areas that are most in need of a supermarket or grocery store as food desert communities in this State. The Department of Agriculture and the Department of Community Affairs shall develop criteria for the designation of food desert communities, but each separate food desert community shall consist of a distinct geographic area with a single defined border. The criteria shall, at a minimum, incorporate analysis of municipal or census tract poverty statistics, food desert information from the Economic Research Service of the United States Department of Agriculture, and healthier food retail tract information from the federal Centers for Disease Control and Prevention. The departments may also consider data related to municipal or census tract population size and population density in making food desert community designations pursuant to this subsection. The authority, in consultation with the departments, shall continuously evaluate areas previously designated as food desert communities and assess whether they still meet the criteria for designation as a food desert community and may designate additional food desert communities once every three years following the effective date of sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill).

c. To receive a tax credit under section 39 or 40 of P.L. , c. (C. or C. ) (pending before the Legislature as this bill), a taxpayer shall submit an application to the authority in the form and manner prescribed by the authority and in accordance with criteria established by the authority. Following the approval of an application, the authority may, pursuant to an award agreement, award tax credits to an eligible taxpayer that:
(1) develops and opens for business to the public the first or second supermarket or grocery store in a designated food desert community; or

(2) owns and operates the first or second supermarket or grocery store in a designated food desert community.

d. (1) The authority may sell all or a portion of the tax credits made available in a fiscal year pursuant to subsection a. of this section and dedicate the proceeds from such sale to provide grants and loans to qualifying supermarkets, grocery stores, mid-sized food retailers, and small food retailers. The amount of any grant or loan provided pursuant to this subsection shall be in accordance with the need of the supermarket, grocery store, mid-sized food retailer, or small food retailer, as determined by the authority. The authority shall sell tax credits pursuant to this section in the manner determined by the authority; provided, however, the authority shall not sell tax credits for less than 85 percent of the tax credit amount. Grants and loans made available pursuant to this subsection shall be awarded to entities that:

(a) are eligible for tax credits under subsection c. of this section in lieu of tax credits; or

(b) own and operate a mid-sized food retailer or small food retailer that commits to selling nutritious foods, including fresh fruits and vegetables, in a designated food desert community.

(2) A mid-sized food retailer or small food retailer shall submit an application to the authority to receive a grant or loan pursuant to this subsection. The application shall be submitted in the form and manner prescribed by the authority and in accordance with criteria established by the authority. An entity eligible for a grant or loan under subparagraph (a) of paragraph (1) of this subsection shall not be required to submit a separate application to the authority for the grant or loan, provided that the entity has submitted an application to the authority pursuant to subsection c. of this section.

(3) Prior to awarding a grant or loan to a mid-sized food retailer or small food retailer pursuant to this subsection, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether a qualifying mid-sized food retailer or small food retailer is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan for the mid-sized food retailer or small food retailer. The authority may also contract with an independent third party to perform a background check on the entity.

(4) A mid-sized food retailer or small food retailer shall, as required at the discretion of the authority, submit to the authority satisfactory information pertaining to the eligible equipment costs and eligible technology costs, as certified by a certified public
accountant, certifications that all information provided by the mid-sized food retailer or small food retailer to the authority is true, including information contained in the application, any agreement pertaining to the award of grants or loans under the program, any amendment to such an agreement, and any other information submitted by the mid-sized food retailer or small food retailer to the authority pursuant to sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill), and evidence of the eligible equipment costs and eligible technology costs of the mid-sized food retailer or small food retailer. The mid-sized food retailer or small food retailer, or an authorized agent of the mid-sized food retailer or small food retailer, shall certify under the penalty of perjury that the information provided pursuant to this subsection is true.

e. The authority may provide technical assistance to any entity that is eligible for a tax credit, grant, or loan under this section. The technical assistance shall provide instructions to qualifying supermarkets, grocery stores, and mid-sized food retailer or small food retailers concerning best practices increasing the accessibility of nutritious foods in food desert communities. Technical assistance shall be made available in English as well as the two most commonly spoken languages in New Jersey other than English. At the discretion of the authority, technical assistance may be provided in addition to, or in lieu of, any tax credit, grant, or loan awarded under sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill).

f. (1) The authority shall require that any tax credits, grants, or loans awarded by the authority under the program be utilized by the recipient for one or more of the following purposes, which shall be set forth in the award agreement:

(a) to mitigate a project financing gap;
(b) to mitigate the initial operating costs of the supermarket or grocery store; or
(c) to mitigate the eligible equipment costs or eligible technology costs of the mid-sized food retailer or small food retailer in order to make nutritious foods more accessible and affordable to residents within food deserts; or
(d) to support initiatives to ensure food security of residents in food desert communities.

(2) The value of tax credits or grants awarded to individual entities under the program shall not exceed:

(a) in the case of an entity eligible under paragraph (1) of subsection c. of this section, 40 percent of the total project cost for the first supermarket or grocery store in a designated food desert community, and 20 percent of the total project cost for the second supermarket or grocery store in the food desert community; and
(b) in the case of an entity eligible under paragraph (2) of subsection c. of this section, the initial operating costs of the first
supermarket or grocery store in a designated food desert community, and one-half of the initial operating costs of the second supermarket or grocery store in the food desert community; and

(c) In the case of an entity eligible for a grant or loan under subparagraph (b) of paragraph (1) of subsection d. of this section, the eligible equipment costs and eligible technology costs of the mid-sized food retailer or small food retailer.

g. An entity that develops and opens a new supermarket or grocery store in a designated food desert community shall be eligible for a tax credit only if the entity demonstrates to the authority at the time of application that each worker employed to perform construction at the project shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) and P.L.2005, c.379 (C.34:11-56.58 et seq.).

h. (1) Except as provided in paragraph (2) of this subsection, a labor harmony agreement shall be required if the State has a proprietary interest in a supermarket or grocery store and the agreement shall remain in effect for as long as the State acts as a market participant in the project. The provisions of this paragraph shall apply to a supermarket or grocery store that will have more than 10 employees.

(2) A labor harmony agreement under paragraph (1) of this subsection shall not be required if the authority determines that the supermarket or grocery store would not be feasible if a labor harmony agreement is required. The authority shall support the determination by a written finding, which provides the specific basis for the determination.

(3) As used in this subsection, "labor harmony agreement" means an agreement between a business that serves as the owner or operator of a supermarket or grocery store and one or more labor organizations, which requires, for the duration of the agreement: that any participating labor organization and its members agree to refrain from picketing, work stoppages, boycotts, or other economic interference against the business; and that the business agrees to maintain a neutral posture with respect to efforts of any participating labor organization to represent employees at a supermarket or grocery store, agrees to permit the labor organization to have access to the employees, and agrees to guarantee to the labor organization the right to obtain recognition as the exclusive collective bargaining representatives of the employees at a supermarket or grocery store by demonstrating to the New Jersey State Board of Mediation, Division of Private Employment Dispute Settlement, or a mutually agreed-upon, neutral, third-party, that a majority of workers in the unit have shown their preference for the labor organization to be their representative by signing authorization cards indicating that preference. The labor organization or organizations shall be from a
list of labor organizations that have requested to be on the list and
that the Commissioner of Labor and Workforce Development has
determined represent substantial numbers of supermarket or grocery
store employees in the State.

i. The award agreement shall require that the recipient consent
to the disclosure of tax expenditure information as described in
paragraph (8) of subsection b. of section 1 of P.L.2009, c.189
(C.52:27B-20a). A recipient shall certify that all factual
representations made by the recipient in the application or award
agreement are true under the penalty of perjury. A material
misrepresentation of fact in either the application or award agreement
may result in recession and recapture of any grants or tax credits
awarded, or acceleration of any loans made, under sections 35
through 42 of P.L. , c. (C. ) (pending before the Legislature
as this bill).

39. (New section) a. For privilege periods beginning on or after
January 1 next following the effective date of sections 25 through 42
of P.L. , c. (C. ) (pending before the Legislature as this bill),
a taxpayer eligible under subsection c. of section 38 of P.L. ,
c. (C. ) (pending before the Legislature as this bill) shall be
awarded a credit against the tax due pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5). A taxpayer that qualifies for the
award of a tax credit under this section may claim 25 percent of the
total amount awarded in the privilege period in which the taxpayer
establishes and opens the supermarket or grocery store for business,
and an additional 25 percent of the total amount awarded in each of
the three privilege periods next following the initial opening,
provided that the supermarket or grocery store remains in business
and open to the public. For a taxpayer to be allowed a tax credit
pursuant to this section, the taxpayer shall meet the requirements of
this section, and the rules and regulations adopted pursuant to section
41 of P.L. , c. (C. ) (pending before the Legislature as this
bill).

b. The order of priority of the application of the credit allowed
pursuant to this section and any other credits allowed against the tax
imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for a
privilege period shall be as prescribed by the Director of the Division
of Taxation in the Department of the Treasury, in consultation with
the chief executive office of the authority. The amount of the credit
applied pursuant to this section against the tax imposed pursuant to
section 5 of P.L.1945, c.162 (C.54:10A-5), shall not reduce a
taxpayer’s tax liability for a privilege period to an amount less than
the statutory minimum provided in subsection (e) of section 5 of
P.L.1945, c.162 (C.54:10A-5). Any credit shall be valid in the
privilege period in which the certification is approved and any unused
portion thereof may be carried forward into the next 10 privilege
periods or until exhausted, whichever is earlier.
c. The authority shall award tax credits to taxpayers until either
the available tax credits are exhausted or all projects that are eligible
for a tax credit pursuant to the provisions of sections 35 through 42
of P.L. , c. ( ) (pending before the Legislature as this bill)
receive a tax credit, whichever occurs first. If insufficient funding
exists to allow a tax credit to a taxpayer in accordance with the
provisions of subsection a. of section 38 of P.L. , c. ( )
(pending before the Legislature as this bill), the authority may offer
the taxpayer a tax credit in an amount less than that provided in
subsection a. of this section.

d. Prior to awarding a tax credit to a supermarket or grocery
store, the Department of Labor and Workforce Development, the
Department of Environmental Protection, and the Department of the
Treasury shall each report to the chief executive officer of the
authority whether a qualifying supermarket or grocery store is in
substantial good standing with the respective department, or has
entered into an agreement with the respective department that
includes a practical corrective action plan for the supermarket or
grocery store. The authority may also contract with an independent
third party to perform a background check on the developer.

e. A supermarket or grocery store shall, as required at the
discretion of the authority, submit to the authority satisfactory
information pertaining to the project cost, project financing gap, and
the initial operating costs, as certified by a certified public
accountant, certifications that all information provided by the
supermarket or grocery store to the authority is true, including
information contained in the application, any agreement pertaining to
the award of tax credits under the program, any amendment to such
an agreement, and any other information submitted by the
supermarket or grocery store to the authority pursuant to sections 35
through 42 of P.L. , c. ( ) (pending before the Legislature
as this bill), and evidence of the initial opening and continued
operation of the supermarket or grocery store. The supermarket or
grocery store, or an authorized agent of the supermarket or grocery
store, shall certify under the penalty of perjury that the information
provided pursuant to this subsection is true.

40. (New section) a. For taxable years beginning on or after
January 1 next following the effective date of sections 35 through 42
of P.L. , c. ( ) (pending before the Legislature as this bill),
a taxpayer eligible under subsection c. of section 38 of P.L. ,
c. ( ) (pending before the Legislature as this bill) shall be
awarded a credit against the tax due pursuant to N.J.S.54A:1-1 et seq.
A taxpayer that qualifies for the award of a tax credit under this
section may claim 25 percent of the total amount awarded in the
taxable year in which the taxpayer establishes and opens the
supermarket or grocery store for business, and may claim 25 percent
of the total amount awarded in each of the three taxable years next
following the initial opening, provided that the supermarket or
grocery store remains in business and open to the public. For a
taxpayer to be awarded a tax credit pursuant to this section, the
taxpayer shall meet the requirements of this section, and the rules and
regulations adopted pursuant to section 41 of P.L.    , c.  (C.    )
(pending before the Legislature as this bill).

b. The order of priority of the application of the credit allowed
pursuant to this section and any other credits allowed against the tax
imposed pursuant to N.J.S.54A:1-1 et seq. for a taxable year shall be
as prescribed by the Director of the Division of Taxation in the
Department of the Treasury, in consultation with the chief executive
officer of the authority. The amount of the credit applied pursuant to
this section against the tax imposed pursuant to N.J.S.54A:1-1 et seq.
shall not reduce a taxpayer’s tax liability for a taxable year to an
amount less than zero. Any credit shall be valid in the taxable year in
which the certification is approved and any unused portion thereof
may be carried forward into the next 10 taxable years or until
depleted, whichever is earlier.

c. A business entity that is classified as a partnership for federal
income tax purposes shall not be allowed the credit directly under
N.J.S.54A:1-1 et seq., but the amount of credit of the taxpayer in
respect of a distributive share of partnership income shall be
determined by allocating to the taxpayer that proportion of the credit
acquired by the partnership that is equal to the taxpayer’s share,
whether or not distributed, of the total distributive income or gain of
the partnership for its taxable year ending within or with the
taxpayer’s taxable year.

A taxpayer that is a New Jersey S corporation shall not be allowed
the credit directly under N.J.S.54A:1-1 et seq., but the amount of
credit of a taxpayer in respect of a pro rata share of S corporation
income shall be determined by allocating to the taxpayer that
proportion of the credit acquired by the New Jersey S corporation
that is equal to the taxpayer’s share, whether or not distributed, of the
total pro rata share of S corporation income of the New Jersey S
corporation for its taxable year ending within or with the taxpayer’s
taxable year.

d. The authority shall award tax credits to taxpayers until either
the available tax credits are exhausted or all projects that are eligible
for a tax credit pursuant to the provisions of sections 35 through 42
of P.L.    , c.  (C.    ) (pending before the Legislature as this bill)
receive a tax credit, whichever occurs first. If insufficient funding
exists to allow a tax credit to a taxpayer in accordance with the
provisions of subsection a. of section 38 of P.L.    , c.  (C.    )
(pending before the Legislature as this bill), the authority may offer
the taxpayer a tax credit in an amount less than that provided in
subsection a. of this section 40.

e. Prior to awarding a tax credit to a supermarket or grocery
store, the Department of Labor and Workforce Development, the
Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether a qualifying supermarket or grocery store, and each contractor and subcontractor performing construction work at the qualifying supermarket or grocery store, is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan. The authority may also contract with an independent third party to perform a background check on the developer.

f. A supermarket or grocery store shall, as required at the discretion of the authority, submit to the authority satisfactory information pertaining to the project cost, project financing gap, and the initial operating costs, as certified by a certified public accountant, certifications that all information provided by the supermarket or grocery store to the authority is true, including information contained in the application, any agreement pertaining to the award of tax credits under the program, any amendment to such an agreement, and any other information submitted by the supermarket or grocery store to the authority pursuant to sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill), and evidence of the initial opening and continued operation of the supermarket or grocery store. The supermarket or grocery store, or an authorized agent of the supermarket or grocery store, shall certify under the penalty of perjury that the information provided pursuant to this subsection is true.

41. (New section) The authority, in consultation with the department and the Director of the Division of Taxation in the Department of the Treasury, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary to carry out the provisions of sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill).

42. (New section) Within one year of the effective date of sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill), the authority shall annually submit a report to the Governor, the State Treasurer, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature, on the effectiveness of the program in establishing supermarkets and grocery stores in food desert communities.

43. (New section) Sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be known and may be cited as the "New Jersey Community-Anchored Development Act."
44. (New section) The purpose of the New Jersey Community-Anchored Development Act is for the New Jersey Economic Development Authority to facilitate, in partnership with the State’s key not-for-profit and governmental anchor institutions, large-scale development projects with desirable employment and geographical characteristics that are to impact a broader community. The Legislature finds that where a broad commonality of goals exists between anchor institutions and the State, the authority can effectively utilize anchor institutions as investors in, and additional overseers of, projects that the authority seeks to incentivize. Under the legislation, anchor institutions in the areas of education, health care, culture, community development, and economic development are provided with the opportunity to act as investors in targeted development, utilizing proceeds from the sale of State tax credits. This approach harnesses the deep experience of the numerous anchor institutions in the State, institutions that enjoy decades-long relationships with communities around the State, making them ideal partners for companies wanting to come to or expand in New Jersey.

This legislation seeks to overcome cost-of-occupancy differences between New Jersey and less expensive options in other jurisdictions for specific properties by reducing the cost of occupancy being offered to a targeted company. This legislation represents a shift in State economic development policy from a grant model to an investment model, differing significantly from past award models in that the legislation does not provide a certain dollar amount to private employers based on the number and types of jobs being created or preserved in the State.

The legislation affords an opportunity for an anchor institution and the authority to become partners in a project, with the authority receiving a negotiated current or deferred economic return on the tax credit investment made by the anchor institution and ultimately the return of the amount initially invested. Through a competitive application process to the authority, a real estate partnership between an anchor institution and a partner business will make its case for an amount of tax credits necessary for that project to be able to establish occupancy costs at a competitive level.

By its inclusion of designated federal opportunity zones and areas eligible to be designated as federal opportunity zones as a separate basis for projects to receive tax credits, the legislation seeks to incentivize anchor institutions to look beyond the borders of their host communities, permitting them to invest in other locales that lack strong anchor institutions, thus expanding their influence and impact by doing so. Simultaneously, such investments will further the objectives of the State in attracting high-value employers and in providing economic stimulus to areas of the State that prior investment cycles have overlooked. The legislation is also expansive enough to permit the addition of other beneficial uses to a qualifying
project; including housing, public amenities, parking, mixed uses, and facilities of an anchor institution itself.

The tax credits issued by the authority to an applicant anchor institution are to be issued pursuant to a tax credit agreement that sets forth negotiated terms on which the authority has agreed to issue the credits. The tax credit agreement is to include standards relating to the anticipated economic results of the community-anchored project and address accountability in the event that the community-anchored project fails to meet the requirements specified in the tax credit agreement.

The Legislature declares that two principal objectives underscore the policy approach of this legislation: first, an incentive program cannot succeed as a one-size-fits-all structure, and therefore an award of tax credits is to be thoroughly underwritten by the authority and specifically designed for scenarios in which the authority finds that the award will be effective; and second, the State is better served where the State’s financial support is characterized and treated as an investment rather than an explicit grant.

45. (New section) As used in sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill):

"Affiliate" means an entity that directly or indirectly controls, is under common control with, or is controlled by an anchor institution or a partner business. Control exists in all cases in which the entity is a member of a controlled group of corporations as defined pursuant to section 1563 of the federal Internal Revenue Code (26 U.S.C. s.1563) or the entity is an organization in a group of organizations under common control that is subject to the regulations applicable to organizations pursuant to subsection (b) or (c) of section 414 of the federal Internal Revenue Code (26 U.S.C. s.414). A taxpayer may establish by clear and convincing evidence, as determined by the Director of the Division of Taxation in the Department of the Treasury, that control exists in situations involving lesser percentages of ownership than required by the above referenced federal statutes.

"Anchor institution" means a governmental entity or nonprofit entity incorporated pursuant to Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes having a primary mission and specific policy goals that align with those of the authority under the program and that is a comprehensive health care system, a public research university, a private research university, a major cultural scientific, research and philanthropic institutions, or public colleges which are separate from public research universities, certified as an anchor institution by the board pursuant to subsection a. of section 46 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Authority" means the New Jersey Economic Development Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).
"Board" means the board of the New Jersey Economic Development Authority, established by section 4 of P.L.1974, c.80 (C.34:1B-4).

"Commitment period" means the period of time, which shall be not less than 10 years and no greater than twice the eligibility period that is granted to an anchor institution, to distribute to the authority the agreed upon returns on investment for the award of tax credits pursuant to the program; provided, however, at the election of the authority or upon the request of an anchor institution in order to benefit the community-anchored project, and as determined in the sole discretion of the authority, the authority may grant up to two consecutive five-year extensions of the commitment period.

"Community-anchored project" means a capital project that is located in an area that is designated as a New Jersey State opportunity zone, an area of the State designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan), or a municipality with a Municipal Revitalization Index distress score of at least 50 and for which an anchor institution is to be awarded tax credits by the authority pursuant to a tax credit agreement which establishes the award of tax credits as an investment by the authority in the project, provided that the project will result in a capital investment of at least $10,000,000 in a New Jersey State opportunity zone or in any other area of the State, but a project that is not located in a New Jersey State opportunity zone is to be primarily designed to result in the economic expansion of a targeted industry in this State.

"Comprehensive health care system" means an entity in this State with the primary purpose of offering comprehensive health care services. "Comprehensive health care system" shall not include any business that manages or offers one or more health benefits plans.

"Comprehensive health care services" means the basic health care services provided under a health benefits plan, including medical and surgical services provided by licensed health care providers who may include, but are not limited to, family physicians, internists, cardiologists, psychiatrists, rheumatologists, dermatologists, orthopedists, obstetricians, gynecologists, neurologists, endocrinologists, radiologists, nephrologists, emergency services physicians, ophthalmologists, pediatricians, pathologists, general surgeons, osteopathic physicians, physical therapists and chiropractors. Basic benefits may also include inpatient or outpatient services rendered at a licensed hospital, covered services performed at an ambulatory surgical facility, and ambulance services. "Comprehensive health care services" shall include only services provided by licensed health care providers.

"Director" means the Director of the Division of Taxation in the Department of the Treasury.

"Eligibility period" means the period in which an anchor institution may claim, sell, transfer, or otherwise use a tax credit
under the New Jersey Community- Anchored Development Program, beginning with the tax period in which the authority accepts certification of the business that it has met the capital investment requirements of the program and extending thereafter for a term of not more than 10 years.

"Eligible position" means a full-time position in a business in this State which the business has filled with a full-time employee. An eligible position shall not include an independent contractor or a consultant.

"Experienced nonprofit or governmental economic or community development entity" means a nonprofit entity incorporated pursuant to Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes that has a core mission and a community track record of advancing economic or community development in at least one area of the State and that has appropriate prior experience in successfully developing mixed-use projects and utilizing complex financing arrangements in developing similar types of projects, as determined by the board.

"Major cultural institution" means a public or nonsectarian nonprofit institution within this State that engages in the cultural, intellectual, scientific, environmental, educational, or artistic enrichment of the people of this State, and which is designated by the board as a major cultural institution.

"New full-time job" means an eligible position created by an anchor institution or a partner business at the community-anchored project that did not previously exist in this State. For the purposes of determining a number of new full-time jobs, the eligible positions of an affiliate shall be considered eligible positions of the business.

"New Jersey State opportunity zone" means a federal population census tract in this State that was eligible to be designated as a qualified opportunity zone pursuant to 26 U.S.C. s.1400Z-1.

"Partner business" means a corporation, partnership, firm, enterprise, franchise, association, trust, sole proprietorship, or other legal entity, but shall not include a public entity that enters into an agreement with an anchor institution to rent and occupy commercial space within a community-anchored project. Under the program a partner business, subject to agreement with the anchor institution, may lease one or more portions of the partner business’s space in the community-anchored project to one or more other persons or entities.

"Private research university" means Princeton University and any other institution of higher education in this State designated by the board as a private research university, based on criteria and metrics established by the board.

"Program" means the New Jersey Community- Anchored Development Program established pursuant to section 46 of P.L. c. (pending before the Legislature as this bill).
"Public research university" means Rutgers, The State University of New Jersey, Rowan University, the New Jersey Institute of Technology, and Montclair State University.

"Qualified business accelerator or incubator facility" means a commercial space that contains office, laboratory, or industrial space and which is located near, and presents opportunities for collaboration with, a public research university, a private research university, teaching hospital, college, or university, and within which at least 50 percent of the gross leasable area is restricted for use by one or more targeted industry start-up companies during the commitment period.

"Targeted industry" means any industry identified from time to time by the authority which shall initially include advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, information and high technology, finance and insurance, professional services, film and digital media, and non-retail food and beverage businesses, including food innovation and other innovative industries that disrupt current technologies or business models.

"Tax credit agreement" means a tax credit agreement entered into pursuant to section 50 of P.L. , c. (pending before the Legislature as this bill) between the authority and an anchor institution.

"Work First New Jersey program" means the Work First New Jersey program established pursuant to P.L.1997, c. 38 (C.44:10-55 et seq.).

46. (New section) a. The New Jersey Community-Anchored Development Program is established as a program under the jurisdiction of the New Jersey Economic Development Authority. The authority shall administer the program to invest in and incentivize the expansion of targeted industries in the State and the continued development of certain areas of the State through the provision of tax credits to anchor institutions. The board shall certify qualified anchor institutions based on the requirements of sections 43 through 53 of P.L. , c. (pending before the Legislature as this bill), and may approve the award of a tax credit to an anchor institution pursuant to sections 47 and 48 of P.L. , c. (pending before the Legislature as this bill). The value of all tax credits approved by the authority to anchor institutions under the program shall be subject to the limitations set forth in section 98 of P.L. , c. (pending before the Legislature as this bill).

b. (1) The authority shall administer the program to invest in, and incentivize the establishment of, community-anchored projects by anchor institutions, independently or in collaboration with one or more partner businesses or governmental entities. The
authority’s investment in community-anchored projects shall be in
the form of the award of tax credits to anchor institutions.

(2) (a) The authority may award a tax credit to an anchor
institution under the program, which the anchor institution shall
convert into an investment by the authority in a community-anchored
project, subject to the condition that the anchor institution either sell
and transfer the tax credit, or adopt a plan to use the tax credit in
order to finance the completion of the community-anchored project,
which condition shall be included in the tax credit agreement entered
into pursuant to section 50 of P.L. , c. (C. ) (pending before
the Legislature as this bill). An anchor institution receiving tax
credits under the program shall use the proceeds derived from the
sale or financing of the tax credits to make an equity investment in
or to provide a loan or other financial support for the community-
anchored project that will permit the anchor institution, and, if
applicable, a partner business, to develop the community-anchored
project and to attract tenants, owners, investors, lenders, partners,
collaborators, and other beneficial parties to the community-
anchored project. A tax credit agreement, entered into pursuant to
section 50 P.L. , c. (C. ) (pending before the Legislature as
this bill) shall detail the terms by which an anchor institution will
convert the award of tax credits into an investment by the authority
into the community-anchored project, subject to potential returns on
investment to the authority based on an agreed-upon formula for the
distribution of returns, including upon the sale of a community-
anchored project or at the end of the commitment period. For
community-anchored projects financed solely by governmental and
nonprofit entity investments, the authority shall negotiate an agreed
upon formula which shall include, but not be limited to, the potential
recapture of the value of the tax credits awarded. For community-
anchored projects that are not financed solely by governmental and
nonprofit entity investments, the authority shall negotiate an agreed
upon formula which shall include, but not be limited to, the potential
recapture of the value of the tax credits awarded and additional
returns on investment. The tax credit agreement shall, however,
specify that the authority’s interest in the community-anchored
project shall be subordinate to the investments made by an anchor
institution and partner businesses. References to investments and
returns in sections 43 through 53 of P.L. , c. (C. ) (pending
before the Legislature as this bill) shall also include loans and other
financial support and their corresponding returns.

 (b) Consistent with an applicable tax credit agreement, a tax
credit awarded to an anchor institution for conversion into an
authority investment, as provided pursuant to subparagraph (a) of this
paragraph, may be applied against tax liability otherwise due
pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), pursuant to
sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3),
pursuant to section 1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

(3) The authority shall develop protocols for assumptions testing relating to projected and actual returns on investment under the program and regularly analyze the returns on investment received by the authority under the program, and shall evaluate future applications and projections considering the results of the assumptions testing and analysis.

c. The authority shall engage in program evaluation and assumptions testing to ensure that the authority at least recaptures the value of the tax credits awarded to all anchor institutions and realizes additional returns on investment under the program; provided, however, that for community-anchored projects financed solely by governmental and nonprofit entity investments, the authority may negotiate a potential return on investment, the calculation of which would include, but not be limited to, recapture of the value of the tax credits awarded for those community-anchored projects financed solely by governmental and nonprofit entities.

d. Any funds distributed to the authority as a return on investment pursuant to the program shall be deposited into the General Fund of the State.

47. (New section) a. An anchor institution shall be eligible to receive a tax credit under the program only if the anchor institution submits a program application to the authority that results in completion of a community-anchored project through a capital investment in a New Jersey State opportunity zone or, if the community-anchored project is primarily designed to result in the economic expansion of a targeted industry in this State, in an area of the State designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan) or in a municipality with a Municipal Revitalization Index distress score of at least 50.

b. At the time of application, an anchor institution seeking tax credits pursuant to the program shall demonstrate to the authority:

(1) that the proposed community-anchored project will result in a capital investment in a New Jersey State opportunity zone or, if the project is primarily designed to result in the economic expansion of a targeted industry in this State, in an area of the State designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan) or in a municipality with a Municipal Revitalization Index distress score of at least 50;

(2) the structure and terms of the financial, corporate, and real estate instruments to be utilized to successfully complete and then operate the community-anchored project, including, but not limited to, the proposed economic and business relationship between the anchor institution and any partner business;
(3) that the anchor institution, along with any partner business participating in a community-anchored project, has not commenced any construction at the site of the community-anchored project prior to submitting an application, unless the authority determines that the community-anchored project would not be completed otherwise or,
in the event the community-anchored project is to be undertaken in phases, the requested tax credit covers only phases for which construction has not yet commenced;

(4) the value of the tax credit that is necessary in each year of the eligibility period, in order for the anchor institution to finance the establishment of the community-anchored project;

(5) the total aggregate value of the tax credit for the entire eligibility period that is necessary in order for the anchor institution to finance the establishment of the community-anchored project;

(6) that the award of tax credits under the program will be converted into an investment by the authority into the community-anchored project, and demonstrate to the authority the anticipated current and deferred returns, as applicable, on that investment;

(7) that the community-anchored project shall comply with the standards established by the authority through regulation based on the green building manual prepared by the Commissioner of Community Affairs pursuant to section 1 of P.L.2007, c. 132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction;

(8) that the community-anchored project shall comply with the authority's affirmative action requirements, adopted pursuant to section 4 of P.L.1979, c.303 (C.34:1B-5.4);

(9) a description of the significant economic, social, planning, employment, environmental, fiscal, and other benefits that would accrue to the State, county, or municipality from the community-anchored project;

(10) that each worker and subcontractor working on construction of the community-anchored project prior to the start of the eligibility period shall be paid not less than $15 per hour or 120 percent of the minimum wage fixed under subsection a. of section 5 of P.L.1966, c.113 (C.34:11-56a4), whichever is higher;

(11) that during the eligibility period, each worker employed to perform construction work and building services work at the community-anchored project shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) and P.L.2005, c.379 (C.34:11-56.58 et seq.). In the event the community-anchored project constitutes a lease of more than 55 percent of a single facility, these requirements shall apply to the entire facility;

(12) that during the eligibility period, the anchor institution shall partner with one or more local community organizations that provide
support and services to Work First New Jersey program recipients, in
order to provide work activity opportunities and other appropriate
services to Work First New Jersey program recipients, which
activities and services may include, but shall not be limited to: work-
study programs, internships, sector-based contextualized literacy
training, skills-based training in growth industries in the State, and
job retention and advancement services;
(13) the extent to which the community-anchored development
will result in the expansion of a targeted industry in this State;
(14) that the timing of the award and investment of tax credits
under the program shall allow for the successful completion and
operation of the community-anchored project; and
(15) that the community-anchored project is viable and that the
anchor institution is a credible partner for completing the
community-anchored project and providing the agreed-upon
potential returns to the authority, as detailed in the tax credit
agreement entered into pursuant to section 50 of P.L. , c. (C. )
(pending before the Legislature as this bill).
c. Prior to the board considering an application submitted by an
anchor institution, the Department of Labor and Workforce
Development, the Department of Environmental Protection, and the
Department of the Treasury shall each report to the chief executive
officer of the authority whether the anchor institution and any partner
business is in substantial good standing with the respective
department, or has entered into an agreement with the respective
department that includes a practical corrective action plan anchor
institution or partner business. The authority may also contract with
an independent third party to perform a background check on an
anchor institution and any partner business.
d. In order to facilitate the creation of new partnerships with
anchor institutions, the authority shall publish on the authority’s
website a list of names and contact information for each anchor
institution that has submitted an application pursuant to this section.

48. (New section) a. Prior to March 1, 2027, an anchor
institution seeking a tax credit pursuant to the program shall submit
an application to the authority in a form and manner prescribed in
regulations adopted by the authority pursuant to the provisions of the
"Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). The authority shall accept and certify applications for tax
credits during the award rounds established pursuant to section 49 of
P.L. , c. (C. ) (pending before the Legislature as this bill).
b. The authority shall not consider an application for a
community-anchored project unless the anchor institution submits,
with the application, a letter evidencing support for the community-
anchored project from the governing body of the municipality in
which the community-anchored project is located.
c. The authority shall review the project costs for a proposed community-anchored project and evaluate and validate the underlying financial structure proposed by the anchor institution. The authority shall conduct a State fiscal impact analysis to ensure that the overall value of tax credits provided to the community-anchored project is projected to result in net benefits to the State, taking into account the current and deferred returns to the authority. The authority shall assess the cost of these reviews to the applicant. An anchor institution shall pay to the authority the full amount of the direct costs of an analysis concerning the anchor institution’s application for tax credits that a third party retained by the authority performs, if the authority deems such retention to be necessary.

d. If at any time during the eligibility period the authority determines that an anchor institution made a material misrepresentation on the program application, the anchor institution shall forfeit or repay to the authority the value of tax credits associated with that application.

49. (New section) a. The authority shall award tax credits under the program through a competitive application process consisting of up to two award rounds each year. The authority shall provide notice to the public of the opening and closing dates for submission of program applications on the authority’s Internet website.

b. (1) The authority shall review applications for tax credits submitted to the authority by the deadline date of the award round and shall evaluate each application as if it were received on the deadline date, without providing any preference for early submissions. To determine priority for an award of a tax credit, all applications for community-anchored projects that satisfy the criteria set forth in sections 47 and 48 of P.L. , c. (pending before the Legislature as this bill) in a given award round shall be ranked on the basis of a scoring system developed by the authority through regulations adopted pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Prior to the commencement of an award round, the authority shall determine the minimum score for the award round that an anchor institution is required to attain to be eligible for a tax credit.

(2) The authority may establish different criteria for community-anchored projects that are located in a New Jersey State opportunity zone and community-anchored projects that are primarily designed to result in the economic expansion of a targeted industry in this State.

c. The scoring system developed by the authority pursuant to subsection b. of this section shall assess applications for tax credits based on the following competitive criteria, which shall include, but shall not be limited to:
A4 PINTOR MARIN, COUGHLIN

52

(1) the amount of tax credit requested by the anchor institution compared to the overall investments required for the completion of the community-anchored project, along with the amount of the potential return on the authority’s investment of tax credits to the State by the end of the commitment period, the amount of the tax credit, if any, that is unlikely to be realized as a return on investment to the State, and the proposed terms and structure for the authority’s investment in the project, including applicable current and deferred returns;

(2) the financial benefit of the community-anchored project to the community in which the community-anchored project will be located;

(3) apprenticeships or workforce programs to be offered because of the community-anchored project;

(4) the ability of the community-anchored project to absorb and adapt to changing environmental conditions and deliver its objectives;

(5) how the community-anchored project will advance State, regional, and local development and planning strategies;

(6) the relationship of the community-anchored project to a comprehensive local development strategy, including its relation to other development and redevelopment projects in the municipality;

(7) the degree to which the community-anchored project enhances and promotes job creation and economic development;

(8) the extent of economic and related social distress in the municipality and the immediate area surrounding the community-anchored project;

(9) the extent to which the community-anchored project provides for the development of workforce housing and housing for individuals with special needs;

(10) the extent to which the community-anchored project constitutes the expansion of the anchor institution to different areas of the State;

(11) the extent to which the community-anchored project provides for infrastructure, parking, retail, green space, or other public amenities creating a mixed-use community-anchored project;

(12) the inclusion of a qualified business accelerator or incubator facility as a part of the community-anchored project;

(13) the length of the commitment period for the community-anchored project;

(14) the quality and number of new full-time jobs that will be created by the anchor institution or a partner business at the community-anchored project;

(15) the quality and number of existing full-time jobs that will be retained by the anchor institution or a partner business in the State as a result of completing the community-anchored project, with the criteria specifying, in scoring the application, that the retention of an
existing full-time job shall be given not more than one-third the
weight of a new full-time job of a similar quality; and
(16) if the anchor institution has a board of directors, the extent to
which that board of directors is diverse and representative of the
community in which the community-anchored project is located.
d. Notwithstanding the provisions of subsection c. of this
section, the authority may adopt, pursuant to the provisions of the
seq.), rules and regulations adjusting competitive criteria required
under the program when necessary to respond to the prevailing
economic conditions in the State.
e. Prior to the award of a tax credit to an anchor institution, to
be converted into an authority investment in a community-anchored
project, the Department of Labor and Workforce Development, the
Department of Environmental Protection, and the Department of the
Treasury shall each report to the chief executive officer of the
authority as to whether the anchor institution, along with any partner
business identified in a program application, and each contractor and
subcontractor performing work at the community-anchored project,
is in substantial good standing with the respective department, or has
entered into an agreement with the respective department that
includes a practical corrective action plan. Provided that all parties
are in substantial good standing, or have entered into such an
agreement, the authority shall allocate tax credits to community-
anchored projects according to the community-anchored project’s
score and until either the available tax credits are exhausted or all
community-anchored projects obtaining the minimum score receive
a tax credit, whichever occurs first. If insufficient funding exists to
fully fund all eligible community-anchored projects, a community-
anchored project may be offered partial funding.
f. Applications that do not receive the minimum score
established by the authority for that award round shall not receive
further consideration for a tax credit by the authority in that award
round; however, an anchor institution may revise or complete a new
application to be submitted in a subsequent award round.
g. If an anchor institution declines a tax credit offered by the
authority, the authority shall offer the tax credit to the applicant with
the application having the next highest score, and having obtained at
least the minimum score in that award round.
50. (New section) a. Following approval and selection of an
application pursuant to sections 48 and 49 of P.L. , c. (C. )
(pending before the Legislature as this bill), the authority shall enter
into a tax credit agreement with the anchor institution. The chief
executive officer of the authority shall negotiate the terms and
conditions of the tax credit agreement on behalf of the State.
b. (1) A tax credit agreement shall specify the amount of the
tax credit that the authority shall award to the anchor institution for
conversion into an authority investment and specify the duration of
the eligibility period, which shall not exceed 10 years. The tax credit
agreement shall provide an estimated date of completion for the
community-anchored project and include a requirement for periodic
progress reports through completion, including the submittal of
executed financing commitments and documents or agreements that
evidence site control.

(2) If, as a result of a default under the tax credit agreement, the
authority rescinds a tax credit in the same calendar year in which the
authority approved the tax credit, then the authority may assign the
tax credit to another applicant that attained the minimum score
determined pursuant to section 49 of P.L., c. (C. ) (pending
before the Legislature as this bill).

c. The terms of the tax credit agreement shall:

(1) provide for a verification of project financing at the time the
anchor institution and any partner business provides executed
financing commitments to the authority and a verification of the
anchor institution’s projected cash flow at the time of certification
that the project is completed;

(2) specify the length of the commitment period for the
community-anchored project and the terms by which the anchor
institution shall provide to the authority current or deferred returns
on investment generated by the community-anchored project and
commit to a structure for returns on investment;

(3) allow the anchor institution to distribute returns on investment
to the authority for the tax credits in the amount specified in the tax
credit agreement at any time within the commitment period, but
require such distribution to occur if the community-anchored project
is sold before the end of the commitment period;

(4) specify amounts of returns to be retained by the anchor
institution for capital reserves, programming, or other purposes;

(5) identify the value of any monetary or financial benefit offered
or provided by the anchor institution to any partner business that
works with the anchor institution to complete and operate the
community-anchored project;

(6) identify any benefits created by the anchor institution for a
partner business through equity investment in or debt-financing of a
community-anchored project and specify the formula by which such
benefits are passed through to a partner business;

(7) specify that the authority or the State may purchase tax credits
offered for sale by an anchor institution for 90 percent of the stated
value of the tax credit before considering any further discounting to
present value which shall be permitted;

(8) at a minimum, require an anchor institution to provide
oversight of the community-anchored project through ongoing
reporting by a partner business to the anchor institution, and
subsequent ongoing reporting by the anchor institution to the
authority;
specify other measures through which the authority shall ensure oversight of outstanding tax credit investments, and, in the event that an anchor institution fails to meet its obligations under the tax credit agreement or any program requirement, establish the right of the authority to assume direct oversight of any or all projects for which the anchor institution has entered into investment agreements and require the anchor institution to pursue any remedies it may have against a partner business;

(10) at a minimum, require that the anchor institution, and any partner businesses, adopt specific nondiscrimination policies for the operation of a community-anchored project; and

(11) require that any partner business of an anchor institution consent to the disclosure of tax expenditure information as described in paragraph (8) of subsection b. of section 1 of P.L.2009, c.189 (C.52:27B-20a).

d. The tax credit agreement shall include a requirement that the chief executive officer of the authority receive annual reports from the anchor institution that are to include separate certifications by the Department of Environmental Protection, the Department of Labor and Workforce Development, and the Department of the Treasury demonstrating that the anchor institution, any partner business, and each contractor and subcontractor performing work at the community-anchored project is in substantial good standing with that department, or have entered into an agreement with that department that includes a corrective action plan, and the tax credit agreement shall include a provision that the anchor institution shall forfeit the tax credit in any year in which an uncured default exists under the tax credit agreement. The tax credit agreement shall, however, allow the authority to extend, in individual cases, the deadline for any annual reporting or certification requirement.

e. An anchor institution shall, as required at the discretion of the authority, submit to the authority satisfactory evidence of actual project costs, as certified by a certified public accountant, evidence of a temporary certificate of occupancy, or other event evidencing project completion. The anchor institution, or an authorized agent of the anchor institution, shall certify under the penalty of perjury that the information provided pursuant to this subsection is true.

51. (New section) a. Up to the limits established in subsection b. of this section and in accordance with a tax credit agreement, beginning upon the receipt of occupancy permits for any portion of the community-anchored project, or upon any other event evidencing project completion as set forth in the tax credit agreement, an anchor institution of an approved community-anchored project shall be awarded a base tax credit of $5,000,000 for conversion into an authority investment in the community-anchored project.

b. An anchor institution may be allowed a tax credit in excess of the base amount, if approved by the authority, provided, however, the
total tax credit allowed per community-anchored project shall not exceed $75,000,000 and the total investment of all State resources in a community-anchored project shall not exceed 40 percent of the total cost of the project.

52. (New section) a. An anchor institution that is awarded a tax credit under sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall, commencing in the year in which the tax credit is awarded, and each year thereafter for the remainder of the eligibility period, submit a report indicating whether the anchor institution is aware of any condition, event, or act that would cause the anchor institution not to be in compliance with the tax credit agreement or the provisions of sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill) and any additional reporting requirements contained in the tax credit agreement or tax credit certificate. The anchor institution, or an authorized agent of the anchor institution, shall certify under the penalty of perjury that the information provided pursuant to this subsection is true.

b. (1) Upon receipt and review of each report submitted during the eligibility period, the authority shall provide to the anchor institution and the Director of the Division of Taxation in the Department of the Treasury a certificate of compliance indicating the amount of tax credits awarded to the anchor institution for conversion into an authority investment in the community-anchored project, that the anchor institution may:

(a) offer for sale through the provision of a tax credit transfer certificate pursuant to section 53 of P.L. , c. (C. ) (pending before the Legislature as this bill); or

(b) use as collateral or to secure any financial instrument approved by the authority to provide financing for the community-anchored project, if that use is in accordance with rules and regulations adopted by the authority, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to govern the use of program tax credits.

(2) Upon receipt by the director of the certificate of compliance, the director shall coordinate with the anchor institution and the authority to provide the anchor institution with a tax credit transfer certificate, as described in section 53 of P.L. , c. (C. ) (pending before the Legislature as this bill), or a tax credit certificate for the value awarded by the authority for that year that the anchor institution may use as provided in paragraph (1) of this subsection b. and in accordance with the rules adopted pursuant to subparagraph (b) of paragraph (1) of this subsection.

53. (New section) a. An anchor institution may apply to the director and the chief executive officer of the authority for a tax credit transfer certificate, covering one or more years. The tax credit
transfer certificate, upon receipt thereof by the anchor institution from the director and the chief executive officer of the authority, may be sold or assigned, in full or in part, in the privilege period during which the anchor institution receives the tax credit transfer certificate from the director, to another person, who may apply the credit against a tax liability pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5.

b. The anchor institution shall not sell or assign, including a collateral assignment, a tax credit transfer certificate allowed under this section for consideration received by the anchor institution of less than 85 percent of the transferred credit amount before considering any further discounting to present value which shall be permitted. The tax credit transfer certificate issued to an anchor institution by the director shall be subject to any limitations and conditions imposed on the application of State tax credits pursuant to sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill) and any other terms and conditions that the director may prescribe.

c. A purchaser or assignee of a tax credit transfer certificate pursuant to this section may make any subsequent transfers, assignments, or sales of a tax credit transfer certificate for an amount to be negotiated with a subsequent purchaser or assignee.

d. The authority shall publish on its Internet website the following information concerning each tax credit transfer certificate approved by the authority and the director pursuant to this section:

(1) the name of the transferor;
(2) the name of the transferee;
(3) the value of the tax credit transfer certificate;
(4) the State tax against which the transferee may apply the tax credit; and
(5) the consideration received by the transferor.

54. (New section) Sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be known and may be cited as the "New Jersey Aspire Program Act."

55. (New section) As used in sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill):
"Agency" means the New Jersey Housing and Mortgage Finance Agency established pursuant to P.L.1983, c.530 (C.55:14K-1 et seq.).
"Authority" means the New Jersey Economic Development Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).
"Aviation district" means all areas within the boundaries of the Atlantic City International Airport, established pursuant to section 24 of P.L.1991, c.252 (C.27:25A-24), and the Federal Aviation Administration William J. Hughes Technical Center and the area within a one-mile radius of the outermost boundary of the Atlantic
City International Airport and the Federal Aviation Administration
William J. Hughes Technical Center.

"Board" means the Board of the New Jersey Economic
development Authority, established by section 4 of P.L.1974, c.80
(C.34:1B-4).

"Building services" means any cleaning or routine building
maintenance work, including but not limited to sweeping,
vacuuming, floor cleaning, cleaning of rest rooms, collecting refuse
or trash, window cleaning, securing, patrolling, or other work in
connection with the care or securing of an existing building,
including services typically provided by a door-attendant or
concierge. "Building services" shall not include any skilled
maintenance work, professional services, or other public work for
which a contractor is required to pay the "prevailing wage" as defined
in section 2 of P.L.1963, c.150 (C.34:11-56.26).

"Cash flow" means the profit or loss that an investment property
earns from rent, deposits, and other fees after financial obligations,
such as debt, maintenance, and other expenses, have been paid.

"Collaborative workspace" means coworking, accelerator,
incubator, or other shared working environments that promote
collaboration, interaction, socialization, and coordination among
tenants through the clustering of multiple businesses or individuals.
For this purpose, the collaborative workspace shall be the greater of:
2,500 of dedicated square feet or 10 percent of the total property on
which the redevelopment project is situated. The collaborative
workspace shall include a community manager, be focused on
collaboration among the community members, and include regularly
scheduled education events for the community members. The
collaborative workspace shall also include a physical open space that
supports the engagement of its community members.

"Commercial project" means a building, which is predominantly
commercial and contains 100,000 or more square feet of office and
retail space, industrial space, or film studios, professional stages,
television studios, recording studios, screening rooms, or other
infrastructure for film production, for purchase or lease and may
include a parking component.

"Developer" means a person who enters or proposes to enter into
an incentive award agreement pursuant to the provisions of section
62 of P.L. , c. (C. ) (pending before the Legislature as this
bill), including, but not limited, to a lender that completes a
redevelopment project, operates a redevelopment project, or
completes and operates a redevelopment project.

"Director" means the Director of the Division of Taxation in the
Department of the Treasury.

"Distressed municipality" means a municipality that is qualified
to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a
municipality under the supervision of the Local Finance Board
pursuant to the provisions of the "Local Government Supervision Act
A municipality identified by the Director of the Division of Local Government Services in the Department of Community Affairs to be facing serious fiscal distress, a SDA municipality, or a municipality in which a major rail station is located.

"Economic development incentive" means a financial incentive, awarded by the authority, or agreed to between the authority and a business or person, for the purpose of stimulating economic development or redevelopment in New Jersey, including, but not limited to, a bond, grant, loan, loan guarantee, matching fund, tax credit, or other tax expenditure.

"Eligibility period" means the period not to exceed 15 years for a commercial or mixed-use project or the period not to exceed 10 years for a residential project specified in an incentive award agreement during which a developer may claim a tax credit under the program.

"Food delivery source" means access to nutritious foods, such as fresh fruits and vegetables, through grocery operators, including, but not limited to, a full-service supermarket or grocery store, and other healthy food retailers of at least 18,000 square feet, including, but not limited to, a prepared food establishment selling primarily nutritious ready-to-serve meals.

"Food desert community" means a physically contiguous area in the State in which residents have limited access to nutritious foods, such as fresh fruits and vegetables, through supermarkets and grocery stores.

"Government-restricted municipality" means a municipality in this State with a municipal revitalization index distress score of at least 7, that met the criteria for designation as an urban aid municipality in the 2019 State fiscal year, and that, on the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill), is subject to financial restrictions imposed pursuant to the Municipal Stabilization and Recovery Act of 2016, P.L.2016, c.4 (52:27BBB-1), or is restricted in its ability to levy property taxes on property in that municipality as a result of the State of New Jersey owning or controlling property representing at least 25 percent of the total land area of the municipality or as a result of the federal government of the United States owning or controlling at least 50 acres of the total land area of the municipality, which is dedicated as a national natural landmark.

"Health care or health services center" means an establishment where patients are admitted for examination and treatment by one or more physicians, dentists, psychologists, or other medical practitioners.

"Incentive area" means an area designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a Designated Center, , provided an area designated as Planning Area 2 (Suburban) or a Designated Center shall be located within a one-half mile radius
of the mid-point, with bicycle and pedestrian connectivity, of a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations, or a high frequency bus stop as certified by the New Jersey Transit Corporation.

"Incentive award" means an award of tax credits to reimburse a developer for all or a portion of the project financing gap of a redevelopment project pursuant to the provisions of sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Incentive award agreement" means the contract executed between a developer and the authority pursuant to section 62 of P.L. , c. (C. ) (pending before the Legislature as this bill), which sets forth the terms and conditions under which the developer may receive the incentive awards authorized pursuant to the provisions of sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Incubator facility" means a commercial property, which contains 5,000 or more square feet of office, laboratory, or industrial space, which is located near, and presents opportunities for collaboration with, a research institution, teaching hospital, college, or university, and within which at least 75 percent of the gross leasable area is restricted for use by one or more technology startup companies.

"Individuals with special needs" means individuals with mental illness, individuals with physical or developmental disabilities, and individuals in other emerging special needs groups identified by the authority, based on guidelines established for the administration of the Special Needs Housing Trust Fund established pursuant to section 1 of P.L.2005, c.163 (C.34:1B-21.25a) or developed in consultation with other State agencies.

"Low-income housing" means housing affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross household income equal to 50 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located.

"Minimum environmental and sustainability standards" means standards established by the authority in accordance with the green building manual prepared by the Commissioner of Community Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources to reduce environmental degradation and encourage long-term cost reduction.

"Moderate-income housing" means housing affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs and occupied or reserved for occupancy by households with a gross
household income equal to more than 50 percent, but less than 80 percent, of the median gross household income for households of the same size within the housing region in which the housing is located.

"Municipal Revitalization Index" means the index by the Department of Community Affairs ranking New Jersey’s municipalities according to eight separate indicators that measure diverse aspects of social, economic, physical, and fiscal conditions in each locality.

"Port district" means the portions of a qualified incentive area that are located within:

a. the "Port of New York District" of the Port Authority of New York and New Jersey, as defined in Article II of the Compact Between the States of New York and New Jersey of 1921; or

b. a 15-mile radius of the outermost boundary of each marine terminal facility established, acquired, constructed, rehabilitated, or improved by the South Jersey Port District established pursuant to "The South Jersey Port Corporation Act," P.L.1968, c.60 (C.12:11A-1 et seq.).

"Program" means the New Jersey Aspire Program established by section 56 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Project cost" means the costs incurred in connection with a redevelopment project by a developer until the issuance of a permanent certificate of occupancy, or until such other time specified by the authority, for a specific investment or improvement, including the costs relating to lands, buildings, improvements, real or personal property, or any interest therein, including leases discounted to present value, including lands under water, riparian rights, space rights, and air rights acquired, owned, developed or redeveloped, constructed, reconstructed, rehabilitated, or improved, any environmental remediation costs, plus costs not directly related to construction, of an amount not to exceed 20 percent of the total costs, capitalized interest paid to third parties, and the cost of infrastructure improvements, including ancillary infrastructure projects. The cost of acquisition of land or fees associated with the application or administration of a grant under sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not constitute a project cost.

"Project financing gap" means the part of the total project cost, including reasonable and appropriate return on investment, that remains to be financed after all other sources of capital have been accounted for, including, but not limited to developer contributed capital, which shall not be less than 20 percent of the total project cost, and investor or financial entity capital or loans for which the developer, after making all good faith efforts to raise additional capital, certifies that additional capital cannot be raised from other sources on a non-recourse basis.
"Project labor agreement" means a form of pre-hire collective bargaining agreement covering terms and conditions of a specific project that satisfies the requirements set forth in section 5 of P.L.2002, c.44 (C.52:38-5).

"Qualified incentive tract" means (i) a population census tract having a poverty rate of 20 percent or more; or (ii) a census tract in which the median family income for the census tract does not exceed 80 percent of the greater of the Statewide median family income or the median family income of the metropolitan statistical area in which the census tract is situated.

"Quality childcare facility" is a child care center licensed by the Department of Children and Families, operating continuously, which has not been subject to an enforcement action, and which has and maintains a total licensed capacity of at least 60 children age 6 years or younger.

"Redevelopment project" means a specific construction project or improvement undertaken by a developer, owner or tenant, or both, and any ancillary infrastructure project. A redevelopment project may involve construction or improvement upon lands, buildings, improvements, or real and personal property, or any interest therein, including lands under water, riparian rights, space rights, and air rights, acquired, owned, developed or redeveloped, constructed, reconstructed, rehabilitated, or improved.

"Residential project" means a redevelopment project that is predominantly residential, intended for multi-family residency, and may include a parking component.

"SDA district" means an SDA district as defined in section 3 of P.L.2000, c.72 (C.18A:7G-3).

"SDA municipality" means a municipality in which an SDA district is situated.

"Total project cost" means the costs incurred in connection with the redevelopment project by the developer until the issuance of a permanent certificate of occupancy, or upon such other event evidencing project completion as set forth in the incentive grant agreement, for a specific investment or improvement.

"Tourism destination project" means a non-gaming business facility that will be among the most visited privately owned or operated tourism or recreation sites in the State, and which has been determined by the authority to be in an area appropriate for development and in need of economic development incentive assistance, including a non-gaming business within an established Tourism District with a significant impact on the economic viability of that district.

“Transit hub” means an urban transit hub, as defined in section 2 of P.L.2007, c.346 (C.34:1B-208), that is located within an eligible municipality, as defined in section 2 of P.L.2007, c.346 (C.34:1B-208) and also located within a qualified incentive area.
"Transit hub municipality" means a Transit Village or a municipality: a. which qualifies for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.), or which has continued to be a qualified municipality thereunder pursuant to P.L.2007, c.111; and b. in which 30 percent or more of the value of real property was exempt from local property taxation during tax year 2006. The percentage of exempt property shall be calculated by dividing the total exempt value by the sum of the net valuation which is taxable and that which is tax exempt.

“Transit Village” means a municipality that has been designated as a transit village by the Commissioner of Transportation and the Transit Village Task Force established pursuant to P.L.1985, c.398 (C.27:1A-5).

"Workforce housing" means housing that is affordable according to federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income of more than 80 percent, but less than 120 percent, of the median gross household income for households of the same size within the housing region in which the housing is located.

56. (New section) a. The New Jersey Aspire Program is hereby established as a program under the jurisdiction of the New Jersey Economic Development Authority. The authority shall administer the program to encourage redevelopment projects through the provision of incentive awards to reimburse developers for certain project financing gap costs. The board may approve the award of an incentive award to a developer upon application to the authority pursuant to sections 58 and 59 of P.L. , c. (C. , C. , and C. ) (pending before the Legislature as this bill). The value of all tax credits approved by the authority pursuant to sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill), shall be subject to the limitations set forth in section 98 of P.L. , c. (C. ) (pending before the Legislature as this bill).

b. The chief executive officer of the authority shall designate one staff member per government-restricted municipality in order to keep the municipality informed on activities within the municipality and to coordinate economic development initiatives.

57. (New section) a. Prior to March 1, 2027, a developer shall be eligible to receive an incentive award for a redevelopment project only if the developer demonstrates to the authority at the time of application that:

(1) without the incentive award, the redevelopment project is not economically feasible;

(2) a project financing gap exists, or the authority determines that the redevelopment project will generate a below market rate of return;
(3) the redevelopment project is located in the incentive area;
(4) except for demolition and site remediation activities, the developer has not commenced any construction at the site of the redevelopment project prior to submitting an application, unless the authority determines that the redevelopment project would not be completed otherwise or, in the event the redevelopment project is to be undertaken in phases, the requested incentive award is limited to only phases for which construction has not yet commenced;
(5) the redevelopment project shall comply with minimum environmental and sustainability standards;
(6) the redevelopment project shall comply with the authority’s affirmative action requirements, adopted pursuant to section 4 of P.L.1979, c.203 (C.34:1B-5.4);
(7) each worker employed or subcontractor of a developer working at a redevelopment project, 80 percent or more of which is operated by the developer, shall be paid not less than $15 per hour or 120 percent of the minimum wage fixed under subsection a. of section 5 of P.L.1966, c.113 (C.34:11-56a4), whichever is higher;
(8) during the eligibility period, each worker employed to perform construction work or building services work at the redevelopment project shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) and P.L.2005, c.379 (C.34:11-56.58 et seq.). In the event a redevelopment project is undertaken by a tenant and the tenant has a leasehold of more than 55 percent of space in the building owned or controlled by the developer, the requirement that each worker employed to perform building service work at the building be paid not less than the prevailing wage shall apply to the entire building;
(9) the redevelopment project shall be completed, and the developer shall be issued a certificate of occupancy for the redevelopment project facilities by the applicable enforcing agency within four years of executing the incentive award agreement corresponding to the redevelopment project;
(10) the developer has complied with all requirements for filing tax and information returns and for paying or remitting required State taxes and fees by submitting, as a part of the application, a tax clearance certificate, as described in section 1 of P.L.2007, c.101 (C.54:50-39); and
(11) the developer is not more than 24 months in arrears at the time of application.

b. In addition to the requirements set forth in subsection a. of this section, for a commercial project to qualify for an incentive award the developer shall demonstrate that:

(1) the incremental increase of State revenues realized from the commercial project upon its completion shall be in excess of the
amount necessary to reimburse the developer for its project financing
gap; and

(2) the developer shall have an equity participation of at least 20
percent of the total project cost.

c. In addition to the requirements set forth in subsection a. of
this section, for a residential project to qualify for an incentive award,
the residential project shall:

(1) have a total project cost of at least $17,500,000, if the project
is located in a municipality with a population greater than 200,000
according to the latest federal decennial census;

(2) have a total project cost of at least $10,000,000 if the project
is located in a municipality with a population less than 200,000
according to the latest federal decennial census; or

(3) have a total project cost of at least $5,000,000 if the project is
in a qualified incentive tract or government-restricted municipality.

d. In addition to the requirements set forth in subsections a. and
c. of this section, for a residential project consisting of newly-
constructed residential units to qualify for an incentive award, the
developer shall reserve at least 20 percent, but not more than 50
percent, of the residential units constructed for occupancy by low-
and moderate-income households with affordability controls as
required under the "Fair Housing Act," P.L.1985, c. 222 (C.52:27D-
301 et al.), unless: the municipality in which the property is located
has received substantive certification from the council and such a
reservation is not required under the approved affordable housing
plan; the municipality has been given a judgment of repose or a
judgment of compliance by the court, and such a reservation is not
required under the approved affordable housing plan. The extent to
which the proposed project would attract or retain a skilled
employment base that is important to the State’s competitive position
generally or to capture economic development opportunities within
targeted industries, this 20 percent for low-income housing and
moderate-income housing may be used for workforce housing, or
housing for individuals with special needs to the extent consistent
with the Fair Housing Act, P.L.1985, c. 222 (C.52:27D-301 et al.).
This 20 percent shall be constructed within the same housing
development.

e. Prior to the board considering an application submitted by a
developer, the Department of Labor and Workforce Development,
the Department of Environmental Protection, and the Department of
the Treasury shall each report to the chief executive officer of the
authority whether the developer is in substantial good standing with
the respective department, or has entered into an agreement with the
respective department that includes a practical corrective action plan
for the developer. The authority may also contract with an
independent third party to perform a background check on the
developer.
Prior to March 1, 2027, a developer that meets the eligibility criteria in section 57 of P.L. (pending before the Legislature as this bill) and is seeking an incentive award for a redevelopment project shall submit an application to the authority and, in the case of a residential project, shall submit an application to the authority and the agency, in a form and manner prescribed in regulations adopted by the authority, in consultation with the agency, pursuant to the provisions of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.). The authority shall accept applications for incentive awards during the grant periods established pursuant to section 59 of P.L. (pending before the Legislature as this bill).

b. The authority shall not consider an application for a commercial project unless the developer submits a letter evidencing support for the commercial project from the governing body of the municipality in which the commercial project is located with the application.

c. The authority shall review the project cost, evaluate and validate the project financing gap estimated by the developer, and conduct a State fiscal impact analysis to ensure that the overall public assistance provided to the project will result in a net positive benefit to the State, provided that the net benefit analysis shall not apply to capital investment for a food delivery source, or a health care or health services center with a minimum of 10,000 square feet of space devoted to residential projects, health care or health services that is located in a municipality with a Municipal Revitalization Index distress score of at least 50 lacking adequate access, as determined by the Commissioner of Health, to health care or health services. In determining whether a project will result in a net positive benefit to the State, the authority shall not consider the value of any taxes exempted, abated, rebated, or retained under the "Five-Year Exemption and Abatement Law," P.L.1991, c.441 (C.40A:21-1 et seq.), the "Long Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et al.), the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.), or any other law that has the effect of lowering or eliminating the developer’s State or local tax liability. The determination made pursuant to this subsection shall be based on the potential tax liability of the developer without regard for potential tax losses if the developer were to locate in another state. The authority shall assess the cost of these reviews to the applicant. A developer shall pay to the authority the full amount of the direct costs of an analysis concerning the developer’s application for a tax credit that a third party retained by the authority performs, if the authority deems such retention to be necessary. The authority shall evaluate the net economic benefits on a present value basis under which the requested tax credit allocation amount is discounted to present value at the same discount rate as the projected benefits from...
the implementation of the proposed redevelopment project for which
an award of tax credits is being sought.

d. For a redevelopment project subject to the requirement of
subsection c. of this section to be eligible for any tax credits under
the program, a developer shall demonstrate to the authority that the
award of tax credits will yield a net positive benefit to the State
equaling an amount determined by the authority through regulation
that exceeds the requested tax credit amount. The developer shall
certify, under the penalty of perjury, that all documents submitted,
and factual assertions made, to the authority to demonstrate that the
award of tax credits will yield a net positive benefit to the State in
accordance with this subsection are true and accurate at the time of
submission. A redevelopment project located in a government-
restricted municipality shall yield a net positive benefit to the State
that exceeds the requested tax credit amount, but the net benefit
requirement set by the authority for such redevelopment projects may
be up to 35 percentage points lower than the net benefit requirement
set by the authority for all other eligible redevelopment projects.

e. If at any time during the eligibility period the authority
determines that the developer made a material misrepresentation on
the developer’s application, the developer shall forfeit the incentive
award.

f. If circumstances require a developer to amend its application
to the authority, then the developer, or an authorized agent of the
developer, shall certify to the authority that the information provided
in its amended application is true under the penalty of perjury.

59. (New section) a. Prior to March 1, 2027, for
redevelopment projects eligible pursuant to section 57 of P.L.    ,
c. (C.    ) (pending before the Legislature as this bill), the
authority shall award incentive awards through an application
process consisting of up to two biannual award rounds. The authority
shall provide notice to the public of the opening and closing dates for
submission of grant applications on its Internet website. The
authority shall award incentive awards based on the order in which
complete, qualifying applications were received by the authority.

b. Prior to allocating an incentive award to a redevelopment
project, the Department of Labor and Workforce Development, the
Department of Environmental Protection, and the Department of the
Treasury shall each report to the chief executive officer of the
authority whether the developer and each contractor and
subcontractor performing work at the redevelopment project is in
substantial good standing with the respective department, or has
entered into an agreement with the respective department that
includes a practical corrective action plan. The authority may also
contract with an independent third party to perform a background
check on the developer. Provided that the developer and all
contractors and subcontractors are in substantial good standing, or
have entered into such agreements, the authority shall allocate
incentive awards to redevelopment projects according to the
redevelopment project’s score and until either the available incentive
awards are exhausted or all redevelopment projects obtaining the
minimum score receive an incentive award, whichever occurs first.
If insufficient funding exists to fully fund all eligible projects, a
project may be offered partial funding.

60. (New section) a. Following approval and selection of an
application pursuant to sections 58 and 59 of P.L. , c. (C. and
C. ) (pending before the Legislature as this bill), the authority
shall enter into an incentive award agreement with the developer.
The chief executive officer of the authority shall negotiate the terms
and conditions of the incentive award agreement on behalf of the
State. The incentive award agreement shall require that the developer
consent to the disclosure of tax expenditure information as described
in paragraph (8) of subsection b. of section 1 of P.L.2009, c.189
(C.52:27B-20a).

b. An incentive award agreement shall specify the amount of the
incentive award the authority shall award to the developer and the
duration of the eligibility period, which shall not exceed 15 years for
a commercial or mixed-use project and shall not exceed 10 years for
a residential project. The incentive award agreement shall provide
an estimated date of completion and include a requirement for
periodic progress reports, including the submittal of executed
financing commitments and documents that evidence site control. If
the authority does not receive periodic progress reports, or if the
progress reports demonstrate unsatisfactory progress, then the
authority may rescind the incentive award. If the authority rescinds
an incentive award in the same calendar year in which the authority
approved the incentive award, then the authority may assign the
incentive award to another applicant. The incentive award agreement
may also provide for a verification of the financing gap at the time
the developer provides executed financing commitments to the
authority and a verification of the developer’s projected cash flow at
the time of certification that the project is completed.

c. To ensure the protection of taxpayer money, if the authority
determines that the project financing gap is smaller than determined
at board approval, the authority shall reduce the amount of the tax
credit on a pro rata basis. If there is no project financing gap, then
the developer shall forfeit the incentive award. This test shall be
conducted at the end of the third year of the eligibility period
whereupon the authority shall evaluate the developer’s cash flow and
compare that cash flow to the projected cash flow at the time of board
approval. For a commercial project, if the actual cash flow exceeds
the projected cash flow at the time of board approval by more than
15 percent, the authority shall require the developer to pay up to 15
percent of the amount of the excess. To the extent applicable, in the
case of a residential project, the developer’s return on investment shall be subject to the provisions of section 7 of P.L.1983, c.530 (C.55:14K-7).

d. The incentive award agreement shall include a requirement that the chief executive officer of the authority receive annual reports from the Department of Environmental Protection, the Department of Labor and Workforce Development, and the Department of the Treasury demonstrating that the developer and each contractor and subcontractor performing work at the redevelopment project is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action. The incentive award agreement shall also include a provision that the developer shall forfeit the incentive award in any year in which any such report is not received. The incentive award agreement shall also require a developer to engage in on-site consultations with the Division of Workplace Safety and Health in the Department of Health.

e. (1) Except as provided in paragraph (2) of this subsection, the authority shall not enter into an incentive award agreement for a redevelopment project that includes at least one retail establishment which will have more than 10 employees, at least one distribution center which will have more than 20 employees, or at least one hospitality establishment which will have more than 10 employees, unless the incentive award agreement includes a precondition that any business that serves as the owner or operator of the retail establishment or distribution center enters into a labor harmony agreement with a labor organization or cooperating labor organizations which represent retail or distribution center employees in the State.

(2) A labor harmony agreement shall be required only if the State has a proprietary interest in the redevelopment project and shall remain in effect for as long as the State acts as a market participant in the redevelopment project. The authority may enter into an incentive award agreement with a developer without the labor harmony agreement required under paragraph (1) of this subsection if the authority determines that the redevelopment project would not be able to go forward if a labor harmony agreement is required. The authority shall support the determination by a written finding, which provides the specific basis for the determination.

(3) As used in this subsection:

"Hospitality establishment" means a hotel, motel, or any business, however organized, that sells food, beverages, or both for consumption by patrons on the premises.

"Labor harmony agreement" means an agreement between a business that serves as the owner or operator of a retail establishment or distribution center and one or more labor organizations, which requires, for the duration of the agreement: that any participating labor organization and its members agree to refrain from picketing,
work stoppages, boycotts, or other economic interference against the
business; and that the business agrees to maintain a neutral posture
with respect to efforts of any participating labor organization to
represent employees at an establishment or other unit in the retail
establishment or distribution center, agrees to permit the labor
organization to have access to the employees, and agrees to guarantee
to the labor organization the right to obtain recognition as the
exclusive collective bargaining representatives of the employees in
an establishment or unit at the retail establishment or distribution
center by demonstrating to the New Jersey State Board of Mediation,
Division of Private Employment Dispute Settlement, or a mutually
agreed-upon, neutral, third-party, that a majority of workers in the
unit have shown their preference for the labor organization to be their
representative by signing authorization cards indicating that
preference. The labor organization or organizations shall be from a
list of labor organizations which have requested to be on the list and
which the Commissioner of Labor and Workforce Development has
determined represent substantial numbers of retail or distribution
center employees in the State.

f. (1) In addition to the incentive award agreement, a
developer shall enter into a community benefits agreement with the
authority and the county or municipality in which the redevelopment
project is located. The agreement may include, but shall not be
limited to, requirements for training, employment, and youth
development and free services to underserved communities in and
around the community in which the redevelopment project is located.
Prior to entering a community benefits agreement, the governing
body of the county or municipality in which the redevelopment
project is located shall hold at least one public hearing at which the
governing body shall hear testimony from residents, community
groups, and other stakeholders on the needs of the community that
the agreement should address.

(2) The community benefits agreement shall provide for the
creation of a community advisory committee to oversee the
implementation of the agreement, monitor successes, ensure
compliance with the terms of the agreement, and produce an annual
public report. The community advisory committee created pursuant
to this paragraph shall be comprised of representatives of diverse
community groups and residents of the county or municipality in
which the redevelopment project is located.

(3) At the time the developer submits the annual report required
pursuant to section 62 of P.L. , c. (C. ) (pending before the
Legislature as this bill) to the authority, the developer shall certify,
under the penalty of perjury, that it is in compliance with the terms
of the community benefits agreement. If the developer fails to
provide the certification required pursuant to this paragraph or the
authority determines that the developer is not in compliance with the
terms of the community benefits agreement based on the reports
submitted by the community advisory committee pursuant to paragraph (2) of this subsection, then the authority may rescind an award or recapture all or part of any tax credits awarded.

g. A developer shall submit, prior to the first disbursement of tax credits under the incentive award agreement, but no later than six months following project completion, satisfactory evidence of actual project costs, as certified by a certified public accountant, evidence of a temporary certificate of occupancy, or other event evidencing project completion that begins the eligibility period indicated in the incentive award agreement. The developer, or an authorized agent of the developer, shall certify that the information provided pursuant to this subsection is true under the penalty of perjury. Claims, records, or statements submitted by a developer to the authority in order to receive tax credits shall not be considered claims, records, or statements made in connection with State tax laws.

h. The incentive award agreement shall include a provision allowing the authority to extend, in individual cases, the deadline for any annual reporting or certification requirement.

61. (New section) a. Up to the limits established in subsection b. of this section and in accordance with an incentive award agreement, beginning upon the receipt of occupancy permits for any portion of the redevelopment project, or upon any other event evidencing project completion as set forth in the incentive award agreement, a developer shall be allowed a total tax credit that shall not exceed 45 percent of the total project cost of the redevelopment project, except for a commercial project that is located in a government-restricted municipality, in which case the total tax credit allowed shall not exceed 50 percent of the total project cost of the commercial project.

b. The value of all tax credits approved by the authority under the program for a redevelopment project shall not exceed $50,000,000 per redevelopment project if located in a qualified incentive tract, government-restricted municipality, or municipality with a Municipal Revitalization Index distress score of at least 50, or $32,000,000 for any other redevelopment project.

62. (New section) a. A developer approved for an incentive award pursuant to sections 58 and 59 of P.L. , c. (C. and C. ) (pending before the Legislature as this bill) and that enters an incentive award agreement pursuant to section 60 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall submit annually, commencing in the year in which the incentive award is issued and for the remainder of the eligibility period, a report indicating whether the developer is aware of any condition, event, or act that would cause the developer not to be in compliance with the incentive award agreement or the provisions of sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this
b. (1) Upon receipt and review of each report submitted during the eligibility period, the authority shall provide to the developer and the director a certificate of compliance indicating the amount of tax credits that the developer may apply against the developer’s tax liability.

(2) Upon receipt by the director of the certificate of compliance, the director shall allow the developer a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5). A developer shall apply the credit awarded against the developer’s liability under section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5 for the privilege period during which the director allows the developer a tax credit pursuant to this subsection. A developer shall not carry forward an unused credit unless the developer was unable to use the credit because the developer’s redevelopment project was directly impacted due to a natural disaster, state emergency, national emergency, or a situation that was out of the developer’s control that impacted the developer’s use of the credit that year, in which case the developer is permitted to carry forward an unused credit for up two years upon submitting evidence of the developer’s redevelopment project being directly impacted by such a circumstance and receiving approval from the authority. Credits granted to a partnership shall be passed through to the partners, members, or owners, respectively, pro-rata, or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method provided to the director accompanied by any additional information as the director may prescribe.

(3) The director shall prescribe the order of priority of the application of the credit allowed under this section and any other credits allowed by law against the tax imposed under section 5 of P.L.1945, c.162 (C.54:10A-5). The amount of the credit applied under this section against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for a privilege period, together with any other credits allowed by law, shall not reduce the tax liability to an amount less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162 (C.54:10A-5).

c. The authority may, pursuant to an amendment to the incentive award agreement, provide short-term stabilization loans to a developer eligible for an incentive award pursuant to subparagraph (b) of paragraph (3) of subsection a. of section 57 or of P.L. ( ), c. (C. (pending before the Legislature as this bill)). The authority may finance the loans authorized pursuant to this
subsection through a sale of tax credits to which the developer would be entitled at a future date pursuant to the incentive award agreement and as authorized under this act or through appropriations made available by the Legislature. A developer shall utilize a loan made available pursuant to this subsection exclusively for project costs or to mitigate a project financing gap. The loans shall bear interest at rates and terms deemed appropriate by the authority but shall bear an interest rate of zero percent per year for the first five years of the loan term.

63. (New section) a. A developer may apply to the director and the chief executive officer of the authority for a tax credit transfer certificate, covering one or more years, in lieu of the developer being allowed any amount of the credit against the tax liability of the developer. The tax credit transfer certificate, upon receipt thereof by the developer from the director and the chief executive officer of the authority, may be sold or assigned, in full or in part in an amount not less than $25,000, in the privilege period during which the developer receives the tax credit transfer certificate from the director, to another person, who may apply the credit against a tax liability pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) , sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. The certificate provided to the developer shall include a statement waiving the developer’s right to claim the amount of the credit that the developer has elected to sell or assign against the developer’s tax liability.

b. The developer shall not sell or assign, including a collateral assignment, a tax credit transfer certificate allowed under this section for consideration received by the developer of less than 85 percent of the transferred credit amount before considering any further discounting to present value which shall be permitted, except a developer of a residential project consisting of newly-constructed residential units may assign a tax credit transfer certificate for consideration of less than 85 percent subject to the submission of a plan to the authority and the agency to use the proceeds derived from the assignment of tax credits to complete the residential project, except a developer of a residential project consisting of newly-constructed residential units that has received federal low income housing tax credits under 26 U.S.C. s.42(b)(2)(B)(i) may assign a tax credit transfer certificate for consideration of no less than 75 percent subject to the submission of a plan to the authority and the New Jersey Housing and Mortgage Finance Agency to use the proceeds derived from the assignment of tax credits to complete the residential project. The tax credit transfer certificate issued to a developer by the director shall be subject to any limitations and conditions imposed on the application of State tax credits pursuant to sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature
as this bill) and any other terms and conditions that the director may prescribe.

c. A purchaser or assignee of a tax credit transfer certificate pursuant to this section shall not make any subsequent transfers, assignments, or sales of the tax credit transfer certificate. d.

The authority shall publish on its Internet website the following information concerning each tax credit transfer certificate approved by the authority and the director pursuant to this section:

(1) the name of the transferrer;
(2) the name of the transferee;
(3) the value of the tax credit transfer certificate; and
(4) the consideration received by the transferrer.

64. (New section) a. A developer who has entered into an incentive award agreement pursuant to section 62 of P.L. , c. (C. ) (pending before the Legislature as this bill) may, upon notice to and written consent of the authority and State Treasurer, pledge, assign, transfer, or sell any or all of its right, title, and interest in and to the incentive award agreement and in the incentive awards payable under the incentive award agreement, and the right to receive the incentive awards, along with the rights and remedies provided to the developer under the incentive award agreement. Any assignment shall be an absolute assignment for all purposes, including the federal bankruptcy code.

b. Any pledge of an incentive award made by the developer shall be valid and binding from the time the pledge is made and filed in the records of the authority. The incentive award pledged and thereafter received by the developer shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of any pledge shall be valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the developer irrespective of whether the parties have notice thereof. As a condition of any incentive grant, the grantee, assignee, pledgee or subsequent holder of the incentive grant shall immediately file notice of the same with the clerk of the county in which the project is located.

c. The authority shall publish on its Internet website the following information concerning each pledge, assignment, transfer, or sale approved by the authority pursuant to this section:

(1) the name of the person or entity offering the pledge, assignment, transfer, or sale of a right, title, or interest in an incentive grant agreement or tax credit agreement;
(2) the name of the person or entity receiving the pledge, assignment, transfer, or sale of a right, title, or interest in the incentive grant agreement or tax credit agreement;
(3) the value of the right, title, or interest in the incentive grant agreement or tax credit agreement; and
(4) the consideration received by the person or entity offering the
pledge, assignment, transfer, or sale of the right, title, or interest in
the incentive grant agreement or tax credit agreement.

65. (New section) a. As used in this section, "transformative
project" means a redevelopment project that has a project financing
gap, that has a total project cost of at least $100,000,000, and that
includes 500,000 or more square feet of new or substantially
renovated industrial, commercial, or residential space or that includes
250,000 or more square feet of film studios, professional stages,
television studios, recording studios, screening rooms, or other
infrastructure for film production and which is of special economic
importance as measured by the level of new jobs, new capital
investment, opportunities to leverage leadership in a high-priority
targeted industry, or other state priorities as determined by the
authority pursuant to rules and regulations promulgated to implement
this section. The criteria developed by the authority shall include,
but shall not be limited to:

(1) the extent to which the proposed transformative project would
create modern facilities that enhance the State’s competitiveness in
attracting targeted industries;

(2) for a residential or mixed-use project, the construction of
1,000 or more new residential units, 20 percent of which shall be
constructed for occupancy by low- and moderate-income households
with affordability controls as required under the under the "Fair
percent shall include, to the extent to which the proposed
transformative project would attract or retain a skilled employment
base that is important to the State’s competitive position generally or
to capture economic development opportunities within targeted
industries, low-income housing, moderate-income housing,
workforce housing, or housing for individuals with special needs, and
which 20 percent shall be constructed within the same housing
development;

(3) the extent to which the proposed project would leverage the
competitive economic development advantages of the State’s mass
transit assets, higher education assets, and other economic
development assets in attracting or retaining both employers and
skilled workers generally or in targeted industries;

A "transformative project" shall not include a redevelopment
project at which more than 50 percent of the premises is occupied by
one or more businesses engaged in final point of sale retail.

b. The authority may award an incentive award to no more than
seven transformative projects in accordance with the provisions of
sections 59 through 67 of P.L. , c. (C. ); provided, however,
a transformative project shall not be subject to the competitive
application procedure set forth in section 59 of P.L. , c. (C. )
(pending before the Legislature as this bill). A transformative project
receiving an incentive award pursuant to this section, other than a project that includes 250,000 or more square feet of film studios, professional stages, television studios, recording studios, screening rooms or other infrastructure for film production, shall be located in a distressed municipality, a government-restricted municipality, or an urban transit hub municipality. No more than two transformative project receiving an incentive award pursuant to this section shall be located in the same municipality. The authority shall not consider an application for a transformative project unless the applicant submits with its application a letter evidencing support for the transformative project from the governing body of the municipality in which the transformative project is located.

c. The authority shall review the transformative project cost, evaluate and validate the project financing gap estimated by the developer, and conduct a State fiscal impact analysis to ensure that the overall public assistance provided to the transformative project will result in a net positive benefit to the State. In determining whether a transformative project will result in a net positive benefit to the State, the authority shall not consider the value of any taxes exempted, abated, rebated, or retained under the "Five-Year Exemption and Abatement Law," P.L.1991, c.441 (C.40A:21-1 et seq.), the "Long Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et al.), the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.), or any other law that has the effect of lowering or eliminating the developer’s State or local tax liability. The determination made pursuant to this subsection shall be based on the potential tax liability of the developer without regard for potential tax losses if the developer were to locate in another state. The authority shall assess the cost of these reviews to the applicant. A developer shall pay to the authority the full amount of the direct costs of an analysis concerning the developer’s application for an incentive award that a third party retained by the authority performs, if the authority deems such retention to be necessary. The authority shall evaluate the net economic benefits on a present value basis under which the requested tax credit allocation amount is discounted to present value at the same discount rate as the projected benefits from the implementation of the proposed transformative project for which an award of tax credits is being sought. Projects that are predominantly residential shall be excluded from the calculation of the net benefit test required pursuant to this subsection.

d. In determining net benefits for any business or person considering locating in a transformative project and applying to receive from the authority any other economic development incentive subsequent to the award of transformative project tax credits pursuant to section 65 of P.L. , c. (C. ) (pending before the Legislature as this bill), the authority shall not credit the business or person with any benefit that was previously credited to the transformative project
pursuant to section 65 of P.L. , c. (C. ) (pending before the Legislature as this bill).

e. The authority shall administer the credits awarded pursuant to this section in accordance with the provisions of sections 62 and 63 of P.L. , c. (C. and C. ) (pending before the Legislature as this bill).

f. Prior to allocating an incentive award to a developer, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether the developer and each contractor and subcontractor performing work at the transformative project is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan. The authority may also contract with an independent third party to perform a background check on the applicant.

g. Notwithstanding the limitation on incentive awards set forth in subsection b. of section 61 and section 98 of P.L. , c. (C. ) (pending before the Legislature as this bill) to the contrary, the authority may allow a developer of a transformative project a tax credit, as reimbursement for certain project financing gap costs, in an amount not to exceed 30 percent of the total project cost, the total value of the project financing gap, or $250,000,000 whichever is less.

66. (New section) Beginning the year next following the year in which P.L. , c. (C. ) (pending before the Legislature as this bill) takes effect and every two years thereafter, a State college or university established pursuant to chapter 64 of Title 18A of the New Jersey Statutes shall, pursuant to an agreement executed between the State college or university and the authority, prepare a report on the implementation of the program, and submit the report to the authority, the Governor, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature. Each biennial report required under this section shall include a description of each redevelopment project receiving a tax credit under the program, a detailed analysis of the consideration given in each project to the factors set forth in sections 58 and 59 of P.L. , c. (C. , C. , and C. ) (pending before the Legislature as this bill), in the case of a commercial project, the return on investment for incentive awards provided and the commercial project’s impact on the State’s economy, and any other metrics the State college or university determines are relevant based upon national best practices. The authority shall prepare a written response to the report, which the authority shall submit to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature.
67. (New section) Notwithstanding the provisions of the
"Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the chief executive officer of the authority may
adopt, immediately, upon filing with the Office of Administrative
Law, regulations that the chief executive officer deems necessary to
implement the provisions of sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill), which
regulations shall be effective for a period not to exceed 180 days from
the date of the filing. The chief executive officer shall thereafter
amend, adopt, or readopt the regulations in accordance with the
requirements of P.L.1968, c.410 (C.52:14B-1 et seq.).

68. (New section) Sections 68 through 81 of P.L. , c. (C. )
(pending before the Legislature as this bill) shall be known and may
be cited as the "Emerge Program Act."

69. (New section) As used in sections 68 through 81 of P.L. ,
c. (C. ) (pending before the Legislature as this bill):
"Affiliate" means an entity that directly or indirectly controls, is
under common control with, or is controlled by the business. Control
exists in all cases in which the entity is a member of a controlled
group of corporations, as defined pursuant to section 1563 of the
Internal Revenue Code of 1986 (26 U.S.C. s.1563), or the entity is an
organization in a group of organizations under common control, as
defined pursuant to subsection (c) of section 414 of the Internal
by clear and convincing evidence, as determined by the Director of
the Division of Taxation in the Department of the Treasury, that
control exists in situations involving lesser percentages of ownership
than required by sections 1563 and 414 of the Internal Revenue Code

"Authority" means the New Jersey Economic Development
Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).
"Aviation district" means all areas within the boundaries of the
Atlantic City International Airport, established pursuant to section 24
of P.L.1991, c.252 (C.27:25A-24), and the Federal Aviation
Administration William J. Hughes Technical Center and the area
within a one-mile radius of the outermost boundary of the Atlantic
City International Airport and the Federal Aviation Administration
William J. Hughes Technical Center.
"Board" means the Board of the New Jersey Economic
Development Authority, established by section 4 of P.L.1974, c.80
(C.34:1B-4).
"Building services" means any cleaning or routine building
maintenance work, including but not limited to sweeping,
vacuuming, floor cleaning, cleaning of rest rooms, collecting refuse
or trash, window cleaning, securing, patrolling, or other work in
connection with the care or securing of an existing building,
including services typically provided by a door-attendant or concierge. "Building services" shall not include any skilled maintenance work, professional services, or other public work for which a contractor is required to pay the "prevailing wage" as defined in section 2 of P.L.1963, c.150 (C.34:11-56.26).

"Business" means an applicant proposing to own or lease premises in a qualified business facility that is: a corporation that is subject to the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5, or is a partnership, S corporation, limited liability company, or non-profit corporation. A business shall include an affiliate of the business if that business applies for a credit based upon any capital investment made by or full-time employees of an affiliate. If the business or tenant is a cooperative or part of a cooperative, then the cooperative may qualify for credits by counting the full-time employees and capital investments of its member organizations, and the cooperative may distribute credits to its member organizations. If the business or tenant is a cooperative that leases to its member organizations, the lease shall be treated as a lease to an affiliate or affiliates. A business shall include an affiliate of the business if that business applies for a credit based upon any capital investment made by full-time employees of an affiliate.

"Capital investment" means expenses that a business or an affiliate of the business incurs following its submission of an application to the authority pursuant to section 72 of P.L. , c. (C.) (pending before the Legislature as this bill), but prior to the project completion date, as shall be defined in the project agreement, for: a. site preparation and construction, repair, renovation, improvement, equipping, or furnishing on real property or of a building, structure, facility, or improvement to real property; b. obtaining and installing furnishings and machinery, apparatus, or equipment, including but not limited to material goods subject to bonus depreciation under sections 168 and 179 of the federal Internal Revenue Code (26 U.S.C. ss.168 and 179), for the operation of a business on real property or in a building, structure, facility, or improvement to real property; or any combination of the foregoing.

"College or university" means a county college, an independent institution of higher education, a public research university, or a State college.

"Commitment period" means a period that is 1.5 times the eligibility period specified in the project agreement entered into pursuant to section 73 of P.L. , c. (C.) (pending before the Legislature as this bill), rounded up, for each applicable phase agreement.

"County college" means an educational institution established by one or more counties, pursuant to chapter 64A of Title 18A of the New Jersey Statutes.
"Director" means the Director of the Division of Taxation in the Department of the Treasury.

"Distressed municipality" means a municipality that is qualified to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a municipality under the supervision of the Local Finance Board pursuant to the provisions of the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality identified by the Director of the Division of Local Government Services in the Department of Community Affairs to be facing serious fiscal distress, a SDA municipality, or a municipality in which a major rail station is located.

"Doctoral university" means a university located within New Jersey that is classified as a doctoral university under the Carnegie Classification of Institutions of Higher Education’s Basic Classification methodology on the effective date of P.L.2017, c.221.

"Eligibility period" means the period in which an eligible business may claim a tax credit under the program for a given project phase, beginning with the tax period in which the authority accepts certification of the eligible business that it has met the capital investment and employment requirements of the program for the respective project phase, and extending thereafter for a term of not more than seven years, with the term to be determined at the discretion of the applicant, provided that the term of the eligibility period may consist of nonconsecutive tax years if the applicant elects at any time after the end of the first tax period of the eligibility period to defer the continuation of the eligibility period to a subsequent tax period. The authority may extend the eligibility period one additional tax period to accommodate a prorated payment pursuant to paragraph (2) of subsection a. of section 77 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Eligible business" means any business that satisfies the criteria set forth in section 71 of P.L. , c. (C. ) (pending before the Legislature as this bill) at the time of application for tax credits under the program.

"Eligible position" or "full-time job" means a full-time position in a business in this State which the business has filled with a full-time employee. An eligible position shall not include an independent contractor or a consultant.

“Employment and Investment Corridor” means the portions of the qualified incentive area that are not located within a distressed municipality and which:

a. are designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), a designated center under the State Development and Redevelopment Plan, or a designated growth center in an endorsed plan until June 30, 2013 , or until the State Planning Commission revises and readopts New Jersey's State Strategic Plan and adopts regulations to revise this definition;
A4 PINTOR MARIN, COUGHLIN

b. intersect with portions of: a port district, a qualified incentive tract, or federally-owned land approved for closure under a federal Commission on Base Realignment and Closure action;

c. are the proposed site of a qualified incubator facility, a tourism destination project, or transit oriented development; or
d. contain: a vacant commercial building having over 400,000 square feet of office, laboratory, or industrial space available for occupancy for a period of over one year; or a site that has been negatively impacted by the approval of a "qualified business facility," as defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

"Full-time employee" means a person:

a. who is employed by a business for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.;

b. who is employed by a professional employer organization pursuant to an employee leasing agreement between the business and the professional employer organization, pursuant to P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.; or

c. who is a resident of another State, but whose income is not subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., or who is a partner of a business who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.

A "full time employee" further means a person who, except for purposes of the Statewide workforce, is provided, by the business, with employee health benefits under a health benefits plan authorized pursuant to State or federal law and who is paid no less than $15 per hour or 120 percent of the minimum wage fixed under subsection a. of section 5 of P.L.1966, c.113 (C.34:11-56a4), whichever is higher.

With respect to a logistics, manufacturing, energy, defense, aviation, or maritime business, excluding primarily warehouse or distribution operations, located in a port district having a container terminal, the requirement that employee health benefits are to be provided shall be deemed to be satisfied if the benefits are provided in accordance with industry practice by a third party obligated to provide such benefits pursuant to a collective bargaining agreement;
A "full-time employee" shall include, but shall not be limited to, an employee that has been hired by way of a labor union hiring hall or its equivalent. 35 hours of employment per week qualified business facility shall constitute one "full-time employee," regardless of whether or not the hours of work were performed by one or more persons.

"Full-time employee" shall not include any person who works as an independent contractor or on a consulting basis for the business or a contract worker whose income is subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., except that any person working as an independent contractor or contract worker whose income is subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., for the business shall be deemed a full-time employee if the business demonstrates to the authority that: (a) the person working as an independent contractor for the business works at least 35 hours per week or renders any other standard service generally accepted by custom or practice as full-time employment, and the person is provided with employee health benefits under a health benefits plan authorized pursuant to State or federal law; and (b) the business provides documentation to the authority to permit the authority to verify the compensation paid to, and the time worked by, the person working as an independent contractor. The business shall provide to the authority an annual report that identifies the number of persons working as independent contractors for the business and their contractual or partnering relationship with the business as provided pursuant to subsection i. of section 3 of P.L.2011, c.149 (C.34:1B-244).

"Full-time employee" shall not include any person who, at the time of project application, works in New Jersey for consideration for at least 35 hours per week for the business, or who renders any other standard of service generally accepted by custom or practice as full-time employment, but who, prior to project application, was not provided, by the business, with employee health benefits under a health benefits plan authorized pursuant to State or federal law.

"Government-restricted municipality" means a municipality in this State with a municipal revitalization index distress score of at least 75, that met the criteria for designation as an urban aid municipality in the 2019 State fiscal year, and that, on the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill), is subject to financial restrictions imposed pursuant to the Municipal Stabilization and Recovery Act of 2016, P.L.2016, c.4 (52:27BBBB-1), or is restricted in its ability to levy property taxes on property in that municipality as a result of the State of New Jersey owning or controlling property representing at least 25 percent of the total land area of the municipality or as a result of the federal government of the United States owning or controlling at least 50
acres of the total land area of the municipality, which is dedicated as
a national natural landmark.

"Incentive agreement" means the contract between the business
and the authority, which sets forth the terms and conditions under
which the business shall be eligible to receive the incentives
authorized pursuant to the program.

"Hospitality establishment" means a hotel, motel, or any business,
however organized, that sells food, beverages, or both for
consumption by patrons on the premises.

"Incentive area” means:

a. an aviation district;
b. a port district;
c. a distressed municipality or transit hub municipality;
d. an area designated pursuant to the “State Planning Act,”
P.L. 1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1
(Metropolitan), Planning Area 2 (Suburban), Planning Area 3 (Fringe
Planning Area); or a Designated Center under the State Development
and Redevelopment Plan, provided an area designated as Planning
Area 2 (Suburban) or Planning Area 3 (Fringe Planning Area) or a
Designated Center shall be located within a one-half mile radius of
the mid-point, with bicycle and pedestrian connectivity, of a New
Jersey Transit Corporation, Port Authority Transit Corporation, or
Port Authority Trans-Hudson Corporation rail, bus, or ferry station,
including all light rail stations, or a high frequency bus stop as
certified by the New Jersey Transit Corporation.

e. an area located within a smart growth area and planning area
designated in a master plan adopted by the New Jersey Meadowlands
Commission pursuant to subsection (i) of section 6 of P.L.1968,
c.404 (C.13:17-6) or subject to a redevelopment plan adopted by the
New Jersey Meadowlands Commission pursuant to section 20 of
P.L. 1968, c.404 (C.13:17-21);
f. an area located within any land owned by the New Jersey
Sports and Exposition Authority, established pursuant to P.L.1971,
c.137 (C.5:10-1 et seq.), within the boundaries of the Hackensack
Meadowlands District as delineated in section 4 of P.L.1968, c.404
(C.13:17-4);
g. an area located within a regional growth area, rural
development area zoned for industrial use as of the effective date of
P.L.2016, c.75, or town, village, or a military and federal installation
area designated in the comprehensive management plan prepared and
adopted by the Pinelands Commission pursuant to the "Pinelands
h. an area located within a government-restricted municipality;
i. an area located within land approved for closure under any
federal Commission on Base Realignment and Closure action;
j. an area located within an area designated pursuant to the
Planning Area 4A (Rural Planning Area), Planning Area 4B
(Rural/Environmentally Sensitive), or Planning Area 5
(Environmentally Sensitive), so long as that area designated as
Planning Area 4A (Rural Planning Area), Planning Area 4B
(Environmentally Sensitive), or Planning Area 5
(Environmentally Sensitive) is located within: (1) a designated center
under the State Development and Redevelopment Plan; (2) a
designated growth center in an endorsed plan until the State Planning
Commission revises and readopts New Jersey's State Strategic Plan
and adopts regulations to revise this definition as it pertains to
Statewide planning areas; (3) any area determined to be in need of
redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79
(C.40A:12A-5 and C.40A:12A-6) or in need of rehabilitation
pursuant to section 14 of P.L.1992, c.79 (C.40A:12A-14); (4) any
area on which a structure exists or previously existed including any
desired expansion of the footprint of the existing or previously
existing structure provided the expansion otherwise complies with all
applicable federal, State, county, and local permits and approvals; or
(5) any area on which an existing tourism destination project is
located; or
k. an area located in a qualified opportunity zone.

"Incentive phase agreement" means a sub-agreement of the
incentive agreement that governs the timing, capital investment,
employment levels, and other applicable details of the respective
phase.

"Independent institution of higher education" means a college or
university incorporated and located in New Jersey, which by virtue
of law, character, or license is a nonprofit educational institution
authorized to grant academic degrees and which provides a level of
education that is equivalent to the education provided by the State's
public institutions of higher education, as attested by the receipt of
and continuation of regional accreditation by the Middle States
Association of Colleges and Schools, and which is eligible to receive
State aid under the provisions of the Constitution of the United States
and the Constitution of the State of New Jersey, but does not include
any educational institution dedicated primarily to the education or
training of ministers, priests, rabbis, or other professional persons in
the field of religion.

"Industrial premises" or "industrial space" means premises or
space in which at least 51 percent of the square footage will be or has
been used for the assembling, processing, manufacturing, or any
combination thereof, of finished or partially finished products from
materials or fabricated parts, including, but not limited to, factories
or as a warehouse if the business uses the warehouse as part of the
chain of distribution for products assembled, processed,
manufactured, or any combination thereof, by the business at the
qualified business facility; for the breaking or demolishing of
finished or partially finished products; or for the production of oil or
gas or the generation or transformation of electricity.
"Industrial use" means assembling, processing, manufacturing, or any combination thereof, of finished or partially finished products from materials or fabricated parts; the breaking or demolishing of finished or partially finished products; or the production of oil or gas or the generation or transformation of electricity. "Industrial use" includes farming purposes as that term is defined under IRC section 6420(c)(3)(A), undertaken in an industrial space.

"Infrastructure Fund" means the Recovery Infrastructure Fund established pursuant to section 79 of P.L. , c. (C. (pending before the Legislature as this bill) to fund local infrastructure improvements.

"Labor harmony agreement" means an agreement between a business that serves as the owner or operator of a retail establishment or distribution center and one or more labor organizations, which requires, for the duration of the agreement: that any participating labor organization and its members agree to refrain from picketing, work stoppages, boycotts, or other economic interference against the business; and that the business agrees to maintain a neutral posture with respect to efforts of any participating labor organization to represent employees at an establishment or other unit in the retail establishment or distribution center, agrees to permit the labor organization to have access to the employees, and agrees to guarantee to the labor organization the right to obtain recognition as the exclusive collective bargaining representatives of the employees in an establishment or unit at the retail establishment or distribution center by demonstrating to the New Jersey State Board of Mediation, Division of Private Employment Dispute Settlement, or a mutually agreed-upon, neutral, third-party, that a majority of workers in the unit have shown their preference for the labor organization to be their representative by signing authorization cards indicating that preference. The labor organization or organizations shall be from a list of labor organizations which have requested to be on the list and which the Commissioner of Labor and Workforce Development has determined represent substantial numbers of retail or distribution center employees in the State.

"Major rail station" means a railroad station that is located within a qualified incentive area and that provides to the public access to a minimum of six rail passenger service lines operated by the New Jersey Transit Corporation.

"Mega project" means a project of special economic importance, as determined pursuant to regulations adopted by the chief executive officer of the authority, as measured by the level of new jobs, new capital investment, and opportunities to leverage leadership in a high-priority targeted industry, as determined by the authority pursuant to rules and regulations promulgated to implement P.L. , c. (C. ) (pending before the Legislature as this bill).

"Minimum environmental and sustainability standards" means standards established by the authority in accordance with the green
building manual prepared by the Commissioner of Community
Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6),
regarding the use of renewable energy, energy-efficient technology,
and non-renewable resources to reduce environmental degradation
and encourage long-term cost reduction.

"Municipal Revitalization Index" means the index by the
Department of Community Affairs ranking New Jersey’s
municipalities according to eight separate indicators that measure
diverse aspects of social, economic, physical, and fiscal conditions
in each locality.

"New full-time job" means an eligible position created by a
business at a qualified business facility that did not previously exist
in this State. For the purposes of determining the number of new
full-time jobs, the eligible positions of an affiliate shall be considered
eligible positions of the business.

"Other eligible area" means the portions of the incentive area that
are not located within a distressed municipality, or the employment
and investment corridor.

"Partnership" means an entity classified as a partnership for
federal income tax purposes.

"Port district" means the portions of an incentive area that are
located within the "Port of New York District" of the Port Authority
of New York and New Jersey, as defined in Article II of the Compact
Between the States of New York and New Jersey of 1921; or a 15-
mile radius of the outermost boundary of each marine terminal
facility established, acquired, constructed, rehabilitated, or improved
by the South Jersey Port District established pursuant to "The South

"Professional employer organization" means an employee leasing
company registered with the Department of Labor and Workforce
Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

"Program" means the Emerge Program established by section 70
of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Project" means the capital investment and the employment
commitment at a qualified business facility pursuant to the project
agreement.

"Project agreement" means the contract executed between an
eligible business and the authority pursuant to section 75 of P.L. ,
c. (C. ) (pending before the Legislature as this bill), which sets
forth the terms and conditions under which the eligible business may
receive the incentives authorized pursuant to the program.

"Project labor agreement" means a form of pre-hire collective
bargaining agreement covering terms and conditions of a specific
project that satisfies the requirements set forth in section 5 of

"Public research university" means a public research university as
defined in section 3 of P.L.1994, c.48 (C.18A:3B-3).
"Qualified business facility" means any building, complex of buildings, or structural components of buildings, and all machinery and equipment located therein, used in connection with the operation of a business that is not engaged in final point of sale retail business at that location, unless the building, complex of buildings or structural components of buildings, and all machinery and equipment therein, are used in connection with the operation of a tourism destination project located in the Atlantic City Tourism District as established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219).

"Qualified incentive tract" means: (i) a population census tract having a poverty rate of 20 percent or more; or (ii) a census tract in which the median family income for the census tract does not exceed 80 percent of the greater of the Statewide median family income or the median family income of the metropolitan statistical area in which the census tract is situated.

"Qualified incubator facility" means a commercial building located within an incentive area: that contains 5,000 or more square feet of office, laboratory, or industrial space; that is located near, and presents opportunities for collaboration with, a research institution, teaching hospital, college, or university; and within which at least 50 percent of the gross leasable area is restricted for use by one or more technology startup companies during the commitment period.

"Qualified opportunity zone" means a federal population census tract in this State that was eligible to be designated as a qualified opportunity zone pursuant to 26 U.S.C. s.1400Z-1.

"Quality child care facility" is a child care center licensed by the Department of Children and Families, operating continuously, which has not been subject to an enforcement action, and which has and maintains a total licensed capacity of at least 60 children age 6 years or younger.

"Retained full-time job" means an eligible position that currently exists in New Jersey and is filled by a full-time employee, but which, because of a potential relocation by the business, is at risk of being lost to another state or country or of being eliminated. For the purposes of determining the number of retained full-time jobs, the eligible positions of an affiliate shall be considered eligible positions of the business.

"SDA district" means an SDA district as defined in section 3 of P.L.2000, c.72 (C.18A:7G-3).

"SDA municipality" means a municipality in which an SDA district is situated.

"Small business" means a business engaged primarily in a targeted industry with fewer than 100 employees, as determined at the time of application.

"State college" means a State college or university established pursuant to chapter 64 of Title 18A of the New Jersey Statutes.

"Targeted industry" means any industry identified from time to time by the authority which shall initially include advanced
transportation and logistics, advanced manufacturing, aviation,
autonomous vehicle and zero-emission vehicle research or
development, clean energy, life sciences, hemp processing,
information and high technology, finance and insurance, professional
services, film and digital media, and non-retail food and beverage
businesses, including food innovation and other innovative industries
that disrupt current technologies or business models.

"Tourism destination project" means a qualified non-gaming
business facility that will be among the most visited privately owned
or operated tourism or recreation sites in the State, and which is
located within the incentive area and has been determined by the
authority to be in an area appropriate for development and in need of
economic development incentive assistance, including a non-gaming
business within an established tourism district with a significant
impact on the economic viability of that tourism district.

"Transit oriented development" means a qualified business facility
located within a 1/2-mile radius, or one-mile radius for projects
located in a Government-restricted municipality, surrounding the
mid-point of a New Jersey Transit Corporation, Port Authority
Transit Corporation, or Port Authority Trans-Hudson Corporation
rail, bus, or ferry station platform area, including all light rail
stations.

"Transit hub" means an urban transit hub, as defined in section 2
of P.L.2007, c.346 (C.34:1B-208), that is located within an eligible
municipality, as defined in section 2 of P.L.2007, c.346 (C.34:1B-
208), and that is also located within an incentive area.

"Transit hub municipality" means a Transit Village or a
municipality: a. which qualifies for State aid pursuant to P.L.1978,
c.14 (C.52:27D-178 et seq.), or which has continued to be a qualified
municipality thereunder pursuant to P.L.2007, c.111; and b. in which
30 percent or more of the value of real property was exempt from
local property taxation during tax year 2006. The percentage of
exempt property shall be calculated by dividing the total exempt
value by the sum of the net valuation which is taxable and that which
is tax exempt.

“Transit Village” means a municipality that has been designated
as a transit village by the Commissioner of Transportation and the
Transit Village Task Force established pursuant to P.L.1985, c.398
(C.27:1A-5).

70. (New section) a. The Emerge Program is hereby
established as a program under the jurisdiction of the New Jersey
Economic Development Authority. The authority shall administer
the program to encourage economic development, job creation, and
the retention of significant numbers of jobs in imminent danger of
leaving the State. The board may approve the award of tax credits to
an eligible business upon application of the chief executive officer of
the eligible business and following the execution of a letter of intent
and the payment of fees, subject to the limitations set forth in subsection b. of this section:

b. value of all tax credits approved by the authority for businesses eligible pursuant to section 71 of P.L. , c. (C. ) shall be subject to the limitations set forth in section 98 of P.L. , c. (C. ) (pending before the Legislature as this bill).

71. (New section) a. Beginning on the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill), but prior to March 1, 2027, to be eligible for tax credits under the program, a business’s chief executive officer, or equivalent officer, shall demonstrate to the authority at the time of application that:

(1) the business will make, acquire, or lease a capital investment at the qualified business facility equal to or greater than the applicable amount set forth in subsection b. of this section;

(2) the business will create or retain new and retained full-time jobs at the qualified business facility in an amount equal to or greater than the applicable number set forth in subsection c. of this section;

(3) the qualified business facility is located in a qualified incentive area;

(4) the award of tax credits will be a material factor in the business's decision to create or retain the number of new and retained full-time jobs set forth in its application;

(5) the award of tax credits, the capital investment resultant from the award of tax credits, and the resultant creation and retention of new and retained full-time jobs will yield a net positive benefit to the State equaling at least 400 percent of the requested tax credit allocation amount, or for a phased project the requested tax credit allocation amount for the initial phase, and on a cumulative basis each phase thereafter, which determination shall be calculated prior to considering the value of the requested tax credit under the program and shall be based on the benefits generated during the period of time from approval through the end of the commitment period, or through the end of the longer period of extended commitment that the business may elect for purposes of receiving credit for benefits projected to occur after the expiration of the commitment period, except that:

(a) an award of tax credits to a business for a qualified business facility located in a distressed municipality or transit hub municipality shall yield a net positive benefit to the State, based on the benefits generated during the period of time from approval through the end of the commitment period, that equals at least 300 percent of the requested tax credit amount;

(b) an award of tax credits to a business for a qualified business facility located in a government-restricted municipality, or for a mega project, shall yield a net positive benefit to the State, based on the benefits generated during the period of time from approval
through the end of the commitment period, that equals at least 200 percent of the requested tax credit amount;
(c) the net economic benefits shall be evaluated on a present value basis with the requested tax credit allocation amount discounted to present value at the same discount rate as the benefits from capital investment resultant from the award of tax credits and the resultant retention and creation of full-time jobs as provided in subparagraph (d) of this paragraph; and
(d) the net economic benefits shall be discounted to reflect the uncertainty of the business’s location after the commitment period expires, provided that a business may elect a period of extended commitment for which time the economic benefits shall be creditable to the determination of the net economic benefit of the project, and a business electing a period of extended commitment and failing to maintain the project through the expiration of that extended commitment period shall be obligated to repay a proportion of the incremental benefits received on account of having extended the commitment period, taking into consideration the number of years of extended commitment during which the business maintained the project;
(e) in making the determination required pursuant to this paragraph, the authority shall not consider the value of any taxes exempted, abated, rebated, or retained under the "Five-Year Exemption and Abatement Law," P.L.1991, c.441 (C.40A:21-1 et seq.), the "Long Term Tax Exemption Law," P.L.1991, c.431 (C.40A:20-1 et al.), the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.), or any other law that has the effect of lowering or eliminating the business’s State or local tax liability, and the business’s chief executive officer or equivalent officer shall certify, under the penalty of perjury, that all documents submitted, and factual assertions made, to the authority to demonstrate that the award of tax credits will yield a net positive benefit to the State in accordance with this paragraph are true and accurate at the time of submission;
(6) the qualified business facility shall be in compliance with minimum environmental and sustainability standards;
(7) the project shall comply with the authority’s affirmative action requirements, adopted pursuant to section 4 of P.L.1979, c.203 (C.34:1B-5.4); and
(8) (a) each worker employed to perform construction work or building services work at the qualified business facility shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) and P.L.2005, c.379 (C.34:11-56.58 et seq.), unless:
(i) the work performed under the contract is performed at a qualified business facility owned by a landlord that is not a business receiving authority assistance;
(ii) the landlord is a party to the construction contract; and
(iii) the qualified business facility constitutes a lease of less than
35 percent of the qualified business facility at the time of contract
and under any agreement to subsequently lease the qualified business
facility.

(b) In accordance with section 1 of P.L.1979, c.303 (C.34:1B-
5.1), nothing in this paragraph shall be construed as requiring the
payment of prevailing wage for construction commencing more than
two years after a business has executed with the authority a
commitment letter regarding authority financial assistance and the
first payment or other provision of the assistance is received.

b. (1) The minimum capital investment required to be
eligible under the program shall be as follows:

(a) for the rehabilitation, improvement, fit-out, or retrofit of an
existing industrial, warehousing, logistics, or research and
development portion of the premises for continued similar use by the
business, a minimum investment of $20 per square foot of gross
leasable area;
(b) for the new construction of an industrial, warehousing,
logistics, or research and development portion of the premises for use
by the business, a minimum investment of $60 per square foot of
gross leasable area;
(c) for the rehabilitation, improvement, fit-out, or retrofit of
existing portion of the premises that does not qualify pursuant to
subparagraph (a) or (b) of this paragraph, a minimum investment of
$40 per square foot of gross leasable area;
(d) for the new construction of a portion of the premises that does
not qualify pursuant to subparagraph (a) or (b) of this paragraph, a
minimum investment of $120 per square foot of gross leasable area;
and
(e) for a small business, no new minimum capital investment
shall be required, provided the applicant has demonstrated evidence
satisfactory to the authority of its intent to remain in the State for the
commitment period.

(2) In the event the business invests less than that amount set forth
in paragraph (1) of this subsection in the qualified business facility,
the business shall donate the uninvested balance to the infrastructure
fund established pursuant to section 79 of P.L. , c. (C. )
(pending before the Legislature as this bill). (3)

Notwithstanding the provisions of paragraphs (1) and (2) of this
subsection, the authority may adopt, pursuant to the provisions of the
seq.), rules and regulations adjusting the minimum capital investment
amounts required under the program when necessary to respond to
the prevailing economic conditions in the State.

c. (1) The minimum number of new or retained full-time jobs
required to be eligible under the program shall be as follows:
(a) for a small business, 25 percent growth of its workforce with new full-time jobs within the eligibility period in accordance with subsection e. of section 76 of P.L. , c. (C. ) (pending before the Legislature as this bill):

(b) for a business engaged primarily in a targeted industry which does not qualify as a small business, 25 new full-time jobs;

(c) for any other business, a minimum of 35 new full-time jobs;

(d) for a business located in qualified incentive tract or government-restricted municipality that will retain 500 or more retained full-time jobs, a minimum of the business’s retained full-time jobs at the time of application and new construction or rehabilitation, improvement, fit-out, or retrofit of an existing portion of the premises equal in size to the space occupied by the business’s retained full-time jobs at the time of application;

(e) for a business located in the State that will retain 1,000 or more retained full-time jobs, a minimum of the business’s retained full-time jobs at the time of application and new construction or rehabilitation, improvement, fit-out, or retrofit of an existing portion of the premises equal in size to the space occupied by the business’s retained full-time jobs at the time of application.

(2) Notwithstanding the provisions of paragraph (1) of this subsection, the authority may adopt, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations adjusting the minimum number of new or retained full-time jobs required under the program when necessary to respond to the prevailing economic conditions in the State.

d. A business shall provide and adhere to a plan that demonstrates that the qualified business facility is capable of accommodating more than half of the business’s new or retained full-time employees as approved and shall certify, under the penalty of perjury, that not less than 80 percent or more of the new or retained full-time jobs are held by employees whose earnings are subject to withholding under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. On the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) this requirement shall apply to projects approved under P.L.2011, c.149 (C.34:1B-242 et seq.), P.L.2007, c.346 (C.34:1B-207 et seq.), and P.L.1996, c.26 (C.34:1B-124 et al.). The requirements set forth in this subsection may be modified by the authority to respond to an emergency, disaster, or other factors that result in employees of an eligible business having to work from a location other than the qualified business facility.

e. The owner of the business, or an authorized agent of the owner, shall certify that all factual representations made by the business to the authority pursuant to subsection a. of this section are true under the penalty of perjury.

f. A business eligible pursuant to this section may submit an application to the authority in accordance with the provisions of
section 72 of P.L. , c. (C. ) (pending before the Legislature as this bill) on or after the effective date of P.L. ,
c. (C. or ) (pending before the Legislature as this bill) but prior to March 1, 2027.

72. (New section) a. A business that meets the eligibility criteria in section 71 of P.L. , c. (C. or ) (pending before the Legislature as this bill) and is seeking a grant of tax credits for a project under the program shall submit an application for approval of the project to the authority in a form and manner prescribed in regulations adopted by the authority pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

b. (1) Before the board may consider an eligible business’s application for tax credits, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether the eligible business is in compliance with the respective department, or, if necessary, has entered into an agreement with the respective department that includes a practical corrective action plan for the eligible business. The authority may also contract with an independent third party to perform a background check on the eligible business. Provided that the eligible business is in substantial good standing, or has entered into such an agreement, before the board may approve an eligible business’s application for tax credits, the eligible business shall execute a non-binding letter of intent with the chief executive officer of the authority, specifying the amount and terms and conditions of tax credits that the authority is prepared to propose for board approval and that are intended to be a material factor in the decision by the eligible business to create or retain the proposed number of new and retained full-time jobs, and in which the eligible business certifies such tax credits are a material factor in its decision.

(2) To assist the authority in determining whether the award of tax credits is a material factor in the eligible business’s decision to create or retain the minimum number of new and retained full-time jobs for eligibility under the program, the chief executive officer of the authority shall require the eligible business to submit, as part of its application, a full economic analysis of all locations under consideration by the eligible business; all lease agreements, ownership documents, or substantially similar documentation for the eligible business’s current in-State locations; and all lease agreements, ownership documents, or substantially similar documentation for potential out-of-State location alternatives, to the extent they exist. The chief executive officer of the authority may further consider the costs associated with opening and maintaining a business in New Jersey, competitive proposals that the eligible business has received from other states, the prevailing economic
conditions, and any other factors that the chief executive officer of
the authority deems relevant to assist the authority in determining
whether an award of tax credits is a material factor in the eligible
business’s decision. Based on this information, the authority shall
independently verify and confirm the eligible business’s assertion
that the award of tax credits under the program is a material factor in
the eligible business’s decision to create or retain the minimum
number of new and retained full-time jobs for eligibility under the
program and, in the case of retained full-time jobs, the jobs are
actually at risk of leaving the State, before the authority may award
the eligible business any tax credits under the "Emerge Program
Act," sections 70 through 81 of P.L. , c. (C. ) (pending before
the Legislature as this bill). The owner of the eligible business, or an
authorized agent of the owner, shall certify that all factual
representations made by the business to the authority pursuant to this
paragraph are true under the penalty of perjury.

c. An eligible business shall pay to the authority the full amount
of the direct costs of an analysis concerning the eligible business’s
application for a tax credit, which a third party retained by the
authority performs, if the authority deems such retention to be
necessary. The authority shall have the discretion to waive all or a
portion of the costs of application for a small business.

d. If at any time during the eligibility period the authority
determines that the eligible business made a material
misrepresentation on the eligible business’s application, the eligible
business shall forfeit all tax credits awarded under the program,
which shall be in addition to any other criminal or civil penalties to
which the business and the officer may be subject.

e. If circumstances require an eligible business to amend its
application to the authority, then the owner of the eligible business,
or an authorized agent of the owner, shall certify to the authority that
the information provided in its amended application is true under the
penalty of perjury.

f. Nothing shall preclude a business from applying for tax
credits under the program for more than one project pursuant to one
or more applications.

73. (New section) a. Following approval by the board, but
before the issuance of tax credits, the authority shall require an
eligible business to enter into a project agreement. The terms of the
project agreement shall be consistent with the eligibility
requirements of section 71 of P.L. , c. (C. ) (pending before
the Legislature as this bill), as applicable, and shall include, but shall
not be limited to, the following:

(1) (i) a detailed description of the proposed project which will
result in job creation or retention, and the number of new and retained
full-time jobs that are approved for tax credits;
(ii) for a phased project, an incentive phase agreement for which each phase identifies a description of the phase, the expected capital investment and number of new full-time jobs, and the time following acceptance of the incentive agreement when each phase is to begin and be completed, with the awarding of tax credits under the incentive agreement to be predicated on the number of full-time jobs created through the fulfillment of each incentive phase agreement;

(2) the eligibility period of the tax credits or, for a phased project, the eligibility period of the tax credits for each phase;

(3) personnel information that will enable the authority to administer the program;

(4) a requirement that the eligible business maintain the project at a location in New Jersey for the commitment period, with at least the minimum number of full-time jobs as required by this program, and a provision to permit the authority to recapture all or part of any tax credits awarded, at its discretion, if the eligible business does not remain in compliance with this provision for the required term or significantly reduces the number of full-time employees, or the salaries thereof, to which the eligible business certified at the commencement of the eligibility period;

(5) a method for the eligible business to certify that it has met the capital investment and employment requirements of the program set forth in subsections b. and c. of section 71 of P.L. , c. (C. ) (pending before the Legislature as this bill) and to report annually to the authority the number of new and retained full-time employees, and the salaries thereof, for which the tax credits are to be allowed;

(6) representations that the eligible business is in substantial good standing or meets the agreement requirements described in paragraph (1) of subsection b. of section 71 of P.L. , c. (C. ) (pending before the Legislature as this bill), the project complies with all applicable laws, and specifically, that the project does not violate any environmental law;

(7) a provision permitting an audit of the payroll records of the business from time to time, as the authority deems necessary;

(8) a provision that the chief executive officer of the authority receives annual reports from the Department of Environmental Protection, the Department of Labor and Workforce Development, and the Department of the Treasury demonstrating that the eligible business and each contractor and subcontractor performing work at the qualified business facility is in compliance with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan, and a provision providing that if the eligible business is not in compliance with its legal obligations of rules administered by these departments and has been given formal notice thereof, then the authority may suspend the issuance of tax credits pending resolution of the dispute;
(9) a requirement for the eligible business to engage in on-site consultations with the Division of Workplace Safety and Health in the Department of Health;
(10) a provision permitting the authority to amend the agreement; and
(11) a provision establishing the conditions under which the authority, the eligible business, or both, may terminate the agreement.

b. (1) In addition to the project agreement, an eligible business shall enter into a community benefits agreement with the authority and the county or municipality in which the qualified business facility is located. The agreement may include, but shall not be limited to, requirements for training, employment, and youth development and free services to underserved communities in and around the community in which the qualified business facility is located. Prior to entering a community benefits agreement, the governing body of the county or municipality in which the qualified business facility is located shall hold at least one public hearing at which the governing body shall hear testimony from residents, community groups, and other stakeholders on the needs of the community that the agreement should address.

(2) The community benefits agreement shall provide for the creation of a community advisory committee to oversee the implementation of the agreement, monitor successes, ensure compliance with the terms of the agreement, and produce an annual public report. The community advisory committee created pursuant to this paragraph shall be comprised of representatives from community groups and residents of the county or municipality in which the qualified business facility is located.

(3) At the time the eligible business submits the annual report required pursuant to section 77 of P.L. ___, c. ___ (pending before the Legislature as this bill) to the authority, the eligible business shall certify, under the penalty of perjury, that it is in compliance with the terms of the community benefits agreement. If the eligible business fails to provide the certification required pursuant to this paragraph or the authority determines that the eligible business is not in compliance with the terms of the community benefits agreement based on the reports submitted by the community advisory committee pursuant to paragraph (2) of this subsection, then the authority may rescind the award or recapture all or part of any tax credits awarded.

74. (New section) a. Commencing with the date six months following the date the authority and an eligible business execute a project agreement, the eligible business shall demonstrate that it has obtained site plan approval and has committed financing for, and site control of, the qualified business facility. If the eligible business obtained site control of the qualified business facility prior to the
execution of the letter of intent pursuant to section 72 of P.L. ,
c. (C. ) (pending before the Legislature as this bill), then the
authority may rescind approval of the award of tax credits, unless the
eligible business disclosed the fact that the eligible business had
obtained the site prior to executing the letter of intent and the
authority determines that the award of tax credits was still a material
factor in the eligible business's decision to create or retain the
minimum number of new and retained full-time jobs for eligibility
under the program. The eligible business shall provide an estimated
date of completion and shall submit periodic progress reports. The
authority may rescind an award of tax credits if an eligible business
fails to provide the information required under this section within the
period indicated in the approval of the tax credits by the board. The
authority may rescind an award of tax credits under the program if a
project fails to advance in accordance with the project agreement.
b. Upon completion of the capital investment and employment
requirements of the program, an eligible business shall submit to the
authority certifications evidencing that the eligible business has
satisfied the conditions relating to the capital investment and
employment requirements of the project agreement with supporting
evidence satisfactory to the authority. Absent extenuating
circumstances and the written approval of the authority, the eligible
business shall submit the certification within three years following
the date of approval of the application. The authority may grant two
six-month extensions of the deadline; provided that the date of
completion shall not occur later than four years following the date of
approval of the application by the authority; provided further that the
authority may grant one additional extension not to exceed one year
upon a finding by the authority that: (1) the project is delayed due to
unforeseeable acts related to the project beyond the eligible
business's control and without its fault or negligence; (2) the eligible
business is using best efforts, with all due diligence, to proceed with
the completion of the project and the submission of the certification;
and (3) the eligible business has made, and continues to make, all
reasonable efforts to prevent, avoid, mitigate, and overcome the
delay. To qualify for the one-year extension, the eligible business
shall provide timely notice to the authority of the delay within 30
days after the eligible business has actual or constructive knowledge
of the delay, and shall provide periodic reports, not less than every
30 days, of the status of the delay and the steps the eligible business
is taking to mitigate or overcome the delay.
c. If the Governor declares an emergency, then the chief
executive officer of the authority shall have the discretion to grant an
extension for the duration of the emergency and the board of the
authority, upon recommendation of the chief executive officer, may
grant two additional six-month extensions; provided, however, that:
(i) the extensions are due to the economic disruption caused by the
emergency; (ii) the project is delayed due to unforeseeable acts
related to the project beyond the eligible business's control and
without its fault or negligence; (iii) the eligible business is using best
efforts, with all due diligence, to proceed with the completion of the
project and the submission of the certification; and (iv) the eligible
business has made, and continues to make, all reasonable efforts to
prevent, avoid, mitigate, and overcome the delay.

d. The owner of the eligible business, or an authorized agent of
the owner, shall certify that the information provided pursuant to this
section is true under the penalty of perjury.

75. (New section) a. The total amount of the tax credit for an
eligible business for each new or retained full-time job shall be as set
forth in subsections b. through g. of this section. The total tax credit
amount shall be calculated and credited to the business annually for
each year of the eligibility period, notwithstanding any other
provisions of P.L. , c. (C. ) (pending before the Legislature
as this bill) to the contrary.

b. The base amount of the tax credit for each new or retained
full-time job for an eligible business shall be as follows:

(1) for an eligible business facility located within a government-
restricted municipality, or which is a mega project, $4,000 per year;

(2) for a qualified business facility located within a distressed
municipality, $3,500 per year;

(3) for a qualified business facility located within a transit hub
municipality but not qualifying under paragraph (1) of this
subsection, 3,000 per year;

(4) for a project in a qualified opportunity zone or an employment
and investment corridor, $2,500 per year; and

(5) for a project in other eligible areas, $500 per year.

c. (1) In addition to the base amount of the tax credit, the
amount of the tax credit to be awarded for each new or retained full-
time job shall be increased with the following bonuses:

(a) for an eligible business with a qualified business facility
located in a municipality with a Municipal Revitalization Index score
greater than 50, an increase of $1,000 per year;

(b) for an eligible business with a qualified business facility at
which the capital investment in industrial or research and
development premises for industrial or research and development use
by the business is in excess of the minimum capital investment
required for eligibility pursuant to subsection b. of section 71 of
P.L. , c. (C. ) (pending before the Legislature as this bill), an
increase of $1,000 per year for each additional amount of investment
that exceeds the minimum amount required for eligibility by 40
percent, with a maximum increase of $3,000 per year, unless the
project qualifies as a mega project or the qualified business facility
is located in a government-restricted municipality, in which case the
maximum increase is $5,000 per year;
(c) for an eligible business with large numbers of new full-time jobs during the commitment period, the increases shall be in accordance with the following schedule:

(i) if the number of new full-time jobs is between 251 and 400, $500 per year;
(ii) if the number of new full-time jobs is between 401 and 600, $750 per year;
(iii) if the number of new full-time jobs is between 601 and 800, $1000 per year;
(iv) if the number of new full-time jobs is between 801 and 1,000, $1,250 per year;
(v) if the number of new full-time jobs is in excess of 1,000, $1,500 per year;

(d) for an eligible business that annually funds an industry-specific training program, which has the capacity to enroll 10 percent or more of the eligible business’s full-time workforce, or pays a State educational institution to provide to the public an industry-specific training program, an increase of $500 per year; provided, however, that if the training program is provided by a State educational institution that is within 10 miles of the qualified business facility, then the increase shall be $1,000 per year;

(e) for an eligible business that qualifies as a small business, an increase of $500 per year;

(f) (i) for an eligible business with new full-time jobs and retained full-time jobs at the qualified business facility with a median salary in excess of the existing median salary for the county in which the project is located, or, in the case of a project in a government-restricted municipality, a business that employees full-time positions at the project with a median salary in excess of the median salary for the government-restricted municipality, an increase of $250 per year during the eligibility period for each 35 percent by which the project’s median salary levels exceeds the county or government-restricted municipality median salary, with a maximum increase of $1,500 per year;

(g) for an eligible business with a qualified business facility located in a qualified incentive tract, an increase of $500 per year;

(h) for an eligible business engaged primarily in a targeted industry, an increase of $500 per year;

(i) for an eligible business with a qualified business facility located in a qualified incubator facility, an increase of $500 per year;

(j) for an eligible business that enters into a labor harmony agreement in accordance with subsection c. of section 73 of P.L. , c. (C. ) (pending before the Legislature as this bill), an increase of $2,000 per year for the portion of the project subject to that labor harmony agreement;

(k) for an eligible business that provides its employees access to child care either through an on-site quality child care facility free of charge to its employees or through reimbursements paid by the
eligible business to its employees for the cost of child care in accordance with standards adopted by the authority, an increase of $1,000 per year;

(1) for an eligible business that enters into a partnership with a prisoner re-entry program for the purpose of identifying and promoting employment opportunities at the eligible business for former inmates and current inmates leaving the corrections system, and that hires at least one active participant in the re-entry program, an increase of $500 per year.

(m) for an eligible business with a qualified business facility that exceeds the Leadership in Energy and Environmental Design's "Silver" rating standards but does not exceed "Gold" rating standards or completes substantial environmental remediation, an additional increase of $250 per year, or for an eligible business with a qualified business facility that exceeds the Leadership in Energy and Environmental Design's "Gold" rating standards, an additional increase of $500 per year;

(n) for an eligible business in a targeted industry with a qualified business facility that is used by the eligible business to conduct a full time collaborative relationship with a college or university, including, but not limited to, a doctoral university, an increase of $1,000 per year;

(o) for an eligible business with a project that generates solar energy on site for use within the qualified business facility of an amount that equals at least 50 percent of the qualified business facility electric supply service needs, an increase of $500 per year;

(p) for an eligible business with a marine terminal project in a municipality located outside a government-restricted municipality, but within the geographical boundaries of the South Jersey Port District, an increase of $1,500 per year; and

(q) for an eligible business with a qualified business facility located in a qualified opportunity zone, an increase of $1,000 per year.

(2) The authority shall not award a bonus to an eligible business with full-time jobs at the qualified business facility that pay less than $15 per hour or 120 percent of the minimum wage fixed under subsection a. of section 5 of P.L.1966, c.113 (C.34:11-56a4), whichever is higher.

(3) The authority may adopt, pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), criteria in addition to, or in place of, the criteria set forth in paragraph (1) of this subsection in response to the prevailing economic conditions in the State.

d. The gross amount of the tax credit available to an eligible business for each new or retained full-time job shall be the sum of the base amount set forth in subsection b. of this section and the various additional bonus amounts for which the business is eligible
pursuant to subsection c. of this section, subject to the following limitations:

1. for a mega project or a project in a government-restricted municipality, the gross amount for each new or retained full-time job shall not exceed $8,000 per year;
2. for a qualified business facility located within a distressed municipality or qualified opportunity zone, the gross amount for each new or retained full-time job shall not exceed $6,000 per year;
3. for a qualified business facility in a transit hub municipality, the gross amount for each new or retained full-time job shall not exceed $5,000 per year;
4. for a qualified business facility in an employment and investment corridor, the gross amount for each new or retained full-time job shall not exceed $4,000 per year; and
5. for a qualified business facility in other eligible areas, the gross amount for each new or retained full-time job shall not exceed $3,000 per year.

e. The authority shall reduce the gross amount of tax credits per full-time job if the median salary of new full-time jobs and retained full-time jobs at the qualified business facility is less than the existing median salary for the county in which the qualified business facility is located. The authority shall reduce the gross amount of tax credits per full-time job by an amount, in percentage points, equal to the percentage the median salary of new full-time jobs and retained full-time jobs at the qualified business facility is below the existing median salary for the county in which the qualified business facility is located. The authority shall not award a tax credit to an eligible business if the median salary of new full-time jobs and retained full-time jobs at the qualified business facility is 30 percent or more below the existing median salary for the county in which the qualified business facility is located.

f. After the determination by the authority of the gross amount of tax credits for which an eligible business is eligible pursuant to subsection d. of this section, the final total tax credit amount shall be calculated as follows: (1) for each new full-time job, the eligible business shall be allowed tax credits equaling the lesser of 100 percent of the gross amount of tax credits for each new full-time job; and (2) for each retained full-time job, the eligible business shall be allowed tax credits equaling 50 percent of the gross amount of tax credits for each retained full-time job.

g. Notwithstanding the provisions of subsections a. through f. of this section to the contrary, for each application approved by the board, the amount of tax credits available to be applied by the business annually shall not exceed an amount determined by the authority to be necessary to induce the project to be sited in New Jersey as determined by the board. The authority shall determine the amount necessary to complete the project through staff analysis of all locations under consideration by the eligible business and all lease
agreements, ownership documents, or substantially similar
documentation for the eligible business’s current in-State locations
and potential out-of-State location alternatives, competitive
proposals from other states, the prevailing economic conditions, and
any other information that the authority deems relevant.

76. (New section) a. (1) If, in any tax period, an eligible
business reduces the total number of full-time employees in its
Statewide workforce by more than 20 percent from the number of
full-time employees in its Statewide workforce in the last tax period
prior to the credit amount approval under the program, then the
eligible business shall forfeit its credit amount for that tax period and
each subsequent tax period, until the first tax period for which
documentation demonstrating the restoration of the eligible
business’s Statewide workforce to the threshold levels required by
this subsection has been reviewed and approved by the authority, for
which tax period and each subsequent tax period the full amount of
the credit shall be allowed.

   (2) If the annual report filed by an eligible business pursuant to
section 77 of P.L. , c. (C. ) (pending before the Legislature
as this bill) provides that the number of new full-time employees
employed by the eligible business at the qualified business facility,
or the salaries thereof, was reduced by more than 10 percent of the
number of new full-time employees, or salaries thereof, in the annual
report of the prior year, or the project agreement if the annual report
is the first such report filed, then the authority may reevaluate the net
positive economic benefit of the project and reduce the size of the
award accordingly. This reduction shall not affect any recapture
under subsection f. of this section.

   b. If, in any tax period, the number of full-time employees
employed by the eligible business at the qualified business facility,
or the salaries thereof, drops below 80 percent of the number of new
and retained full-time jobs, and the salaries thereof, specified in the
project agreement or the incentive phase agreement, then the eligible
business shall forfeit its tax credit amount for that tax period and each
subsequent tax period, until the first tax period for which
documentation demonstrating the restoration of the number of full-
time employees employed by the eligible business at the qualified
business facility to 80 percent of the number of jobs specified in the
project agreement or incentive phase agreement or the restoration of
80 percent of the salaries specified in the project agreement is
reviewed and approved by the authority.

   c. Except for an eligible business engaged primarily in a targeted
industry with less than 50 employees at application:

   (1) If the qualified business facility is sold in whole or in part
during the eligibility period, the new owner shall not acquire the
capital investment of the seller, provided, however, that any tax
credits of tenants shall remain unaffected. The seller shall forfeit all
tax credits for the tax period in which the sale occurs and all subsequent tax periods, provided, however, that an eligible business may change the location of the qualified business facility if:

(a) the new facility:

(i) meets all applicable location qualifying criteria and has gross leasable area not less than the gross leasable area of the qualified business facility initially approved by the authority and the alternate qualified business facility meets the minimum capital investment and sustainability requirements of the program; or

(ii) does not meet all applicable location qualifying criteria or has less gross leasable area than the gross leasable area of the qualified business facility initially approved by the authority, if the alternate qualified business facility meets the minimum capital investment and sustainability requirements of the program, provided that the authority shall require a new cost benefit analysis illustrating the economics of the project which reflect occupancy at the alternate proposed qualified business facility location for the remaining duration of the commitment period and shall re-calculate the net economic benefit of the project to reflect the economics of occupancy at the alternate proposed location for the remaining duration of the net benefit test period in lieu of the economics of continuing occupancy at the qualified business facility proposed to be vacated, and provided further that the award of tax credits shall be reduced consistent with the variations in qualifying criteria for the alternate qualified business facility location as well as in a manner consistent with the revised net economic benefit calculation.

(b) in the event that the modified project economics materially deviate from the economics of the initial approval in a manner that undermines the recommendation of approval made by the staff of the authority at the time of the initial approval, then the business requesting to re-locate a qualified business facility shall be required to obtain the approval of the members of the authority.

(2) If a tenant subleases its tenancy in whole or in part during the eligibility period, the new tenant shall not acquire the tax credits of the sublessor, and the sublessor shall forfeit all tax credits for any tax period of its sublease in which the sublessor, in continued occupation of a portion of the qualified business facility, fails to maintain the number of jobs required for the sublessor to earn tax credits for the tax period or fails to independently satisfy the minimum capital investment or sustainability requirements for the program as set forth in section 71 of P.L. c. (C. or C.) (pending before the Legislature as this bill). Provided, however, if the capital investment of the sublessor in the occupied potion of the qualified business facility is below the project minimum capital investment as set forth in section 71 of P.L. c. (C.) (pending before the Legislature as this bill), the sublessor may include capital investment made by or on behalf of the new tenant in the subleased portion of the qualified business facility, so long as that capital investment is not the subject
of an independent application under an incentive program with the
authority.

d. A small business may move its qualified business facility
provided that the business remains in New Jersey during the
commitment period.
e. The authority may require a small business to submit a growth
plan, which specifies the number of new full-time employees at the
qualified business facility that the eligible business will hire each
year of the eligibility period; provided that by the end of the
eligibility period, the eligible business shall have a minimum of 25
percent growth of its workforce with new full-time jobs. If the
eligible business meets the number of new full-time employees
specified in the growth plan each year of the eligibility period, then
the eligible business shall be entitled to an increased credit amount
for that tax period, and each subsequent tax period, for each
additional full-time employee added above the number of full-time
employees certified, until the full-time employees number the
maximum number projected for the final year of the eligibility
period. Failure to meet the projections in any year shall not constitute
a default but shall cause the authority to reduce the award in
accordance with a schedule attached to the project agreement.
f. (1) The authority may recapture all or part of a tax credit
awarded if an eligible business does not remain in compliance with
the requirements of a project agreement for the duration of the
commitment period. A recapture pursuant to this subsection may
include interest on the recapture amount, at a rate equal to the
statutory rate for corporate business or insurance premiums tax
deficiencies, plus any statutory penalties, and all costs incurred by
the authority and the Division of Taxation in the Department of the
Treasury in connection with the pursuit of the recapture, including,
but not limited to, counsel fees, court costs, and other costs of
collection. Failure of the eligible business to meet any program
criteria shall constitute a default and shall result in the recapture of
all or part of the tax credit awarded.
(2) If all or part of a tax credit sold or assigned pursuant to section
78 of P.L. , c. (C. ) (pending before the Legislature as this
bill) is subject to recapture, then the authority shall pursue recapture
from the eligible business and not from the purchaser or assignee of
the tax credit transfer certificate. The purchaser or assignee of a tax
credit transfer certificate shall be subject to any limitations and
conditions that apply to the use of the tax credits by the eligible
business.
(3) Any funds recaptured pursuant to this subsection, including
penalties and interest, shall be deposited into the General Fund of the
State.
g. A business may include an affiliate for any period, provided
that the business provides a valid tax clearance certificate for the
affiliate and a verification of the nature of the affiliate relationship
during the relevant period, and provided further that the affiliate
provides acceptable responses to the authority’s legal disclosures
inquiries, as determined by the authority. A formal modification of
the authority’s approval of the incentive agreement shall not be
necessary to add or remove an affiliate after approval or execution of
the incentive agreement.

h. A business may change its name filed with the authority by
providing a copy of the filed amendment to the certificate of
incorporation or formation, as the case may be, of the business and a
valid tax clearance certificate with the business’s new name. A
formal modification of the authority’s approval shall not be necessary
to change a business’s name after approval or execution of the
incentive agreement.

77. (New section) a. (1) An eligible business which is
awarded tax credits under the program shall submit annually, no later
than the date indicated in the project agreement, commencing in the
year in which the grant of tax credits is issued and for the remainder
of the commitment period, a report that indicates that the eligible
business continues to maintain the number of new and retained full-
time jobs, and the salaries thereof, specified in the project agreement.
As part of the annual report required pursuant to this subsection, an
eligible business shall provide to the authority a copy of its applicable
New Jersey tax return showing business income and withholdings as
a condition of its continuation in the program, and the quarterly wage
report required under R.S.43:21-14 submitted to the Department of
Labor and Workforce Development together with an annual payroll
report showing: (a) the new full-time jobs which were created in
accordance with the project agreement, and (b) the new full-time jobs
created during each subsequent year of the commitment period. The
failure of an eligible business to submit to the authority a copy of its annual payroll report or submit the quarterly wage report in
accordance with the provisions of this subsection during the
eligibility period shall result in the forfeiture of the award for that
year. An eligible business shall explain, in the reports required by
this subsection, the reason for any discrepancies between the annual
payroll report submitted by the eligible business and the quarterly
wage report. The owner of the eligible business, or an authorized
agent of the owner, shall certify that the information provided
pursuant to this paragraph is true under the penalty of perjury.
Claims, records, or statements submitted by an eligible business to
the authority in order to receive tax credits shall not be considered
claims, records, or statements made in connection with State tax
laws.

(2) Upon receipt and review of each report submitted during the
eligibility period, the authority shall provide to the eligible business
and the director a certificate of compliance indicating the amount of
tax credits that the eligible business may apply against its tax
liability. The authority shall pro rate the tax credit for the first and
last years of the eligibility period based on the number of full months
the project was certified in the year the eligible business first
certifies.

b. (1) In conducting its annual review, the authority may
require a business to submit any information determined by the
authority to be necessary and relevant to its review.

(2) An eligible business shall forfeit the credit amount for any tax
period for which the eligible business’s documentation remains
uncertified as of the date for certification indicated in the project
agreement, although credit amounts for the remainder of the years of
the eligibility period shall remain available to the eligible business.

c. Full-time employment for an accounting or privilege period
shall be determined as the average of the monthly full-time
employment for the period.

d. (1) Upon receipt by the director of the certificate of
compliance, the director shall allow the eligible business a tax credit.
The eligible business may apply the credit allowed by the director
against the eligible business’s tax liability for the tax period in which
the director allowed the tax credit or may carry forward the credit for
use by the eligible business in any of the next seven successive tax
periods, which credit shall expire thereafter.

(2) (a) The amount of credit allowed may be applied against the
tax liability otherwise due pursuant to section 5 of P.L.1945, c.162
(C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and
C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or
N.J.S.17B:23-5.

(b) Credits granted to a partnership shall be passed through to the
partners, members, or owners, respectively, pro-rata, or pursuant to
an executed agreement among the partners, members, or owners
documenting an alternate distribution method provided to the director
accompanied by any additional information as the director may
prescribe. With respect to credits passed through to a person subject
to tax liability due pursuant to sections 2 or 3 of P.L.1945, c.132
(C.54:18A-2 and C.54:18A-3), the person shall be allowed to apply
credits against the person’s tax liability without the provision of a tax
credit certificate to the Division of Taxation in the Department of the
Treasury for the tax period accompanying the person’s tax return and
the person shall be considered the tax certificate holder and be subject
to subparagraph (c) of this paragraph. The authority may recapture
all or part of any tax credits claimed by a person pursuant to
subparagraph (b) of this paragraph with penalties and interest from
the person or the business in the event the Division of Taxation in the
Department of the Treasury does not issue a tax credit certificate in
an amount at least equal to the tax credit amount claimed on the
person’s tax return for the applicable tax period.

(3) The director shall prescribe the order of priority of the
application of the credit allowed under this section and any other
credits allowed by law against the tax imposed under section 5 of
P.L.1945, c.162 (C.54:10A-5). The amount of a credit applied under
this section against the tax imposed pursuant to section 5 of P.L.1945,
c.162 (C.54:10A-5) for a privilege period, together with any other
credits allowed by law, shall not reduce the tax liability to an amount
less than the statutory minimum provided in subsection (e) of section
5 of P.L.1945, c.162 (C.54:10A-5).

(4) In lieu of applying any credit certificate or credit transfer
certificate against tax liability otherwise due pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132
(C.17:32-15), or N.J.S.17B:23-5, the credit certificate or credit
transfer certificate may be surrendered to the Division of Taxation in
the Department of the Treasury for a cash payment equal to 90
percent of the amount of tax credits evidenced by the certificate,
provided that the issuance date of the credit certificate or credit
transfer certificate to the taxpayer surrendering such certificate
occurred at least two years prior to the date of surrender.

78. (New section) a. An eligible business may apply to the
director and the chief executive officer of the authority for a tax credit
transfer certificate, within three years of the tax period in which the
director allows the eligible business a tax credit, in lieu of any amount
of the tax credit against the eligible business’s State tax liability. The
tax credit transfer certificate, upon receipt thereof by the eligible
business from the director and the chief executive officer of the
authority, may be sold or assigned, in an amount not less than
$25,000, within three years of the tax period in which the eligible
business receives the tax credit transfer certificate from the director,
to another person that may have a tax liability pursuant to section 5
of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132
(C.54:18A-2 and 54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-
15), or N.J.S.17B:23-5. A purchaser or assignee of a tax credit
transfer certificate pursuant to this section shall apply the transferred
credit against the same tax for which the eligible business was
approved a tax credit under the program. The tax credit transfer
certificate provided to the eligible business shall include a statement
waiving the eligible business’s right to claim the credit that the
eligible business has elected to sell or assign.

b. (1) The eligible business shall not sell or assign a tax credit
transfer certificate allowed under this section for consideration
received by the eligible business of less than 85 percent of the
transferred credit amount before considering any further discounting
to present value which shall be permitted. The tax credit transfer
certificate issued to the eligible business by the director shall be
subject to any limitations and conditions imposed on the application
of State tax credits pursuant to sections 70 through 81 of P.L.
c. (C.        ) (pending before the Legislature as this bill) and any other terms and conditions that the director may prescribe.

(2) With respect to credits to be sold or assigned, in full or in part, pursuant to an application to the authority for a tax credit transfer certificate by a business to a person subject to tax liability due pursuant to sections 2 or 3 of P.L.1945, c.132 (C.54:18A-2 or C.54:18A-3), the person shall be allowed to apply the credits against the person’s tax liability without the provision of a tax credit certificate to the Division of Taxation in the Department of the Treasury for the tax period accompanying its tax return, and the person be considered a tax credit transferee and be subject to paragraph (3) of this subsection.

(3) The authority may recapture all or part of any tax credits claimed by a person pursuant to paragraph (2) of this subsection with penalties and interest from the person or the business in the event the authority does not issue a tax credit certificate in an amount at least equal to the tax credit amount claimed on the person’s tax return for the applicable tax period.

c. A purchaser or assignee of a tax credit transfer certificate pursuant to this section shall not make any subsequent transfers, assignments, or sales of the tax credit transfer certificate.

d. The authority shall publish on its Internet website the following information concerning each tax credit transfer certificate approved by the authority and the director pursuant to this section:

(1) the name of the transferrer;
(2) the name of the transferee;
(3) the value of the tax credit transfer certificate;
(4) the State tax against which the transferee may apply the tax credit; and
(5) the consideration received by the transferrer.

79. (New section) a. The authority shall establish a dedicated fund to be known as the "Recovery Infrastructure Fund." Money in the fund shall be dedicated to the purpose of funding local infrastructure, which shall include:

(1) buildings and structures, such as schools, fire houses, police stations, recreation centers, public works garages, and water and sewer treatment and pumping facilities;
(2) sidewalks, streets, roads, ramps, and jug handles;
(3) open space with improvements such as athletic fields, playgrounds, and planned parks;
(4) open space without improvements;
(5) public transportation facilities such as train stations and public parking facilities; and
(6) the purchase of equipment considered vital to public safety.

b. The fund shall be credited with money remitted by eligible businesses pursuant to paragraph (2) of subsection b. of section 71 of P.L. , c. (C.        ) (pending before the Legislature as this bill).
c. Money remitted to the fund by an eligible business pursuant to paragraph (2) of subsection b. of section 71 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be earmarked for use on local infrastructure projects in the municipality in which the eligible business’s project is located.

d. A municipality shall apply to the authority, in a form and manner prescribed by the authority, for disbursements from the Recovery Infrastructure Fund. The authority, in consultation with the Department of Community Affairs, shall review and approve applications for disbursements of money from the fund pursuant to the provisions of this section and the rules and regulations promulgated by the authority pursuant to paragraph (1) of subsection f. of this section.

e. The Department of Community Affairs shall coordinate with the authority and other boards, commissions, institutions, departments, agencies, State officers, and employees to carry out the local infrastructure projects funded through the Recovery Infrastructure Fund.

f. (1) The authority shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of subsections a. through d. of this section.

(2) The Department of Community Affairs shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the purposes of subsection e. of this section.

80. (New section) Beginning the year next following the year in which P.L. , c. (C. ) (pending before the Legislature as this bill) takes effect and every two years thereafter, a State college or university shall, pursuant to an agreement executed between the State college or university and the authority, prepare a report on the implementation of the program, and submit the report to the authority, the Governor, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature. Each biennial report required under this section shall include a description of each eligible business receiving a tax credit under the program, a detailed analysis of the consideration given to each applicant, an analysis of whether the incentives awarded influenced the eligible business’s decisions to locate a qualified business facility in the State, the return on investment for incentives awarded, the eligible business’s impact on the State’s economy, and any other metrics the State college determines are relevant based upon national best practices. The authority shall prepare a written response to the report, which the authority shall submit to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature.
81. (New section) Notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the chief executive officer of the authority may adopt, immediately, upon filing with the Office of Administrative Law, regulations that the chief executive officer deems necessary to implement the provisions of sections 70 through 81 of P.L. , c. (C. ) (pending before the Legislature as this bill), including but not limited to examples of and the determination of capital investment and the determination of the limits, if any, on the expense or type of furnishings that may constitute capital improvements, which regulations shall be effective for a period not to exceed 180 days from the date of the filing. The chief executive officer shall thereafter amend, adopt, or readopt the regulations in accordance with the requirements of P.L.1968, c.410 (C.52:14B-1 et seq.).

82 (New section) Sections 82 through 88 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be known and may be cited as the "Main Street Recovery Finance Program Act."

83. (New section) As used in sections 82 through 88 of P.L. , c. (C. ) (pending before the Legislature as this bill):

"Authority" means the New Jersey Economic Development Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

"Board" means the Board of the New Jersey Economic Development Authority, established by section 4 of P.L.1974, c.80 (C.34:1B-4).

"Eligible microbusiness" means a business enterprise located in the State that produces goods or provides services and has fewer than 10 full-time equivalent employees and annual gross revenue of less than $1,000,000 at the time of application for a loan under the program.

"Eligible small business" means any business that satisfies the criteria set forth in subsection b. of section 85 of P.L. , c. (C. ) (pending before the Legislature as this bill) at the time of application for a grant under the program.

"Program" means the Main Street Recovery Finance Program established pursuant to section 84 of P.L. , c. (C. ) (pending before the Legislature as this bill).

"Small business" means a business engaged in the conduct of a trade or business in this State that qualifies as a "small business concern" within the meaning of the federal "Small Business Act," Pub.L.85-536 (15 U.S.C. § 631 et seq.) for the purpose of the small business’s eligibility assistance from the United States Small Business Administration.

84. (New section) The Main Street Recovery Finance Program is hereby established as a program under the jurisdiction of the New
Jersey Economic Development Authority. The authority shall administer the program for the purpose of providing grants, loans, and loan guarantees to eligible small businesses in accordance with the provisions of sections 82 through 88 of P.L. , c. (C. ) (pending before the Legislature as this bill). A business seeking a grant, loan, or loan guarantee under the program shall submit an application to the authority. The authority shall adopt eligibility criteria for the program and may consider a business’s benefit to the community in which it is situated and the degree to which the business enhances and promotes job creation and economic development in communities that have been severely impacted by the COVID-19 pandemic when making awards under the program.

85. (New section) a. As part of the Main Street Recovery Finance Program, the authority shall provide grants to eligible small businesses from the Main Street Recovery Fund, subject to appropriation or the availability of federal funds provided that not less than 40 percent of such funds shall be made available to eligible microbusinesses certified by the State as a "minority business" or a "women’s business" pursuant to P.L.1986, c.195 (C.52:27H-21.17 et seq.). Grants awarded pursuant to the program may be used by an eligible small business for capital improvements or to cover operating expenses. The authority may dedicate up to 10 percent of any amount appropriated for the purposes of this section to provide technical assistance grants to eligible microbusinesses.

b. (1) A small business shall be eligible to receive a grant pursuant to this section if the small business demonstrates to the authority that:

(a) the small business has complied with all requirements for filing tax and information returns and for paying or remitting required State taxes and fees by submitting, as a part of the application, a tax clearance certificate, as described in section 1 of P.L.2007, c.101 (C.54:50-39); and

(b) each worker employed by the small business shall be paid not less than $15 per hour or 120 percent of the minimum wage fixed under subsection a. of section 5 of P.L.1966, c.113 (C.34:11-56a4), whichever is higher.

(2) In addition to the requirements of paragraph (1) of this subsection, a small business shall be eligible to receive a grant pursuant to this subsection for capital improvements only if the small business demonstrates to the authority at the time of application that:

(a) any capital improvement undertaken with grant funds shall comply with standards established by the authority in accordance with the green building manual prepared by the Commissioner of Community Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources to reduce
environmental degradation and encourage long-term cost reduction;

(b) each worker employed to perform construction work in connection with a capital improvement undertaken with grant funds in excess of $50,000 shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.).

c. Prior to March 1, 2025, an eligible small business seeking a grant pursuant to this section shall submit an application for approval to the authority in the form and manner prescribed in regulations adopted by the authority pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Before the board may consider an eligible small business’s application for grants, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether the eligible small business is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan for the eligible small business. The authority may also contract with an independent third party to perform a background check on the eligible small business. The eligible small business, or an authorized agent thereof, shall certify under the penalty of perjury that any information provided in the application required pursuant to this subsection is true.

d. Following approval by the board, but before the disbursement of grant funds, the authority shall require an eligible small business to enter into a grant agreement. The grant agreement shall specify the amount of the grant to be awarded the eligible small business and the frequency of payments. If the authority determines that an eligible small business made a material misrepresentation on the eligible small business’s grant application or the eligible small business has filed to comply with any requirement set forth in paragraphs (1) through (4) of subsection b. of this section, then the small business shall return to the authority any grant awarded pursuant to this section.

86. (New section) a. As part of the Main Street Recovery Finance Program, the authority shall make available from the Main Street Recovery Fund, subject to annual appropriation and the availability of funds, to eligible community development finance institutions pursuant to subsection b. of this section and to eligible microbusinesses pursuant to subsection c. of this section, provided that not less than 40 percent of such funds shall be made available to eligible microbusinesses certified by the State as a "minority business" or a "women’s business" pursuant to P.L.1986, c.195 (C.52:27H-21.17 et seq.). The authority may dedicate up to 10
percent of any amount appropriated for the purposes of this section
to provide technical assistance grants to eligible microbusinesses.

b. The authority shall provide loans and grants to eligible
community development finance institutions in accordance with this
subsection. Loans and grants made available to eligible community
development finance institutions pursuant to this paragraph shall be
used to strengthen capital structures, leverage additional debt capital,
and increase lending and investing in economically disadvantaged
communities. The authority shall require an eligible community
development finance institutions that receives a grant or loan
pursuant to this subsection to enter into an agreement with the
authority.

c. The authority shall provide loans to eligible microbusinesses
in accordance with this subsection. Loans made available to eligible
microbusinesses pursuant to this subsection may be used for capital
improvements, employee training, salaries for new positions, and to
pay for day-to-day operating expenditures, including payroll, rent,
utilities, insurance, and purchases of goods and services. The
authority shall require an eligible microbusiness to enter into a loan
agreement. Loans made pursuant to this subsection shall have a term
and an interest rate determined by the authority based on conditions
currently prevailing in the market. The authority may forgive loans
provided to eligible microbusinesses pursuant to this subsection at
the authority’s discretion. The authority may, through the terms of
the loan agreement, establish terms governing the incidence of
default by an eligible microbusiness.

d. Prior to March 1, 2025, an eligible community development
finance institution seeking a loan or a grant pursuant to subsection b.
of this section or an eligible microbusiness seeking a loan pursuant
to subsection c. of this section shall submit an application for
approval to the authority in the form and manner prescribed in
regulations adopted by the authority pursuant to the provisions of the
seq.). Before the authority may consider an application, the
Department of Labor and Workforce Development, the Department
of Environmental Protection, and the Department of the Treasury
shall each report to the chief executive officer of the authority
whether the applicant is in substantial good standing with the
respective department, or has entered into an agreement with the
respective department that includes a practical corrective action plan
for the applicant. The authority may also contract with an
independent third party to perform a background check on the
applicant. The applicant, or an authorized agent thereof, shall certify
under the penalty of perjury that any information provided in the
application required pursuant to this subsection is true.

87. (New section) a. To aid in the economic recovery of
those communities most impacted by the COVID-19 pandemic and
to better ensure their long-term economic growth, there is created the
"Main Street Recovery Fund" to be held by the State Treasurer. All
moneys deposited in the fund shall be held and disbursed in the
amounts necessary to fulfill the purposes of providing grants and
loans pursuant to sections 85 and 86 of P.L.    , c. (C.   ) (pending
before the Legislature as this bill) and the purposes enumerated in
subsection b. of this section, and for reasonable administrative costs
of implementing sections 82 through 88 of P.L.    , c. (C.        )
(pending before the Legislature as this bill). The fund may be
credited with pay backs; bonuses; entitlements; money received from
the federal government; transfers; grants; gifts; bequests; moneys
appropriated by the Legislature; or any other money made available
from any source. The State Treasurer, in consultation with the
authority, may invest and reinvest any moneys in the fund in the State
Treasurer’s discretion. Any income from, interest on, or increment
to moneys so invested or reinvested shall be included in the fund.

b. Upon application to the State Treasurer, and in consultation
with the Chief Executive Officer of the New Jersey Economic
Development Authority, the State Treasurer shall make loan
guarantees from the fund to leverage private and public lending to
help finance small businesses, real estate developments, and
manufacturers that are creditworthy but not receiving the financing
needed to expand and create jobs. In making loan guarantees under
this section, the State Treasurer shall give due consideration to small
businesses and real estate developments in underserved communities
throughout the State that have been deeply impacted by the COVID-19 pandemic.

c. (1) The State Treasurer shall monitor the activities of the
beneficiaries of the loan guarantees issued pursuant to this section on
an annual basis to ensure compliance with the terms and conditions
imposed on the recipient by the chief executive officer.

(2) An entity receiving a loan guarantee and the beneficiaries of
such loan guarantee under this section shall provide the State
Treasurer with an annual accounting of how the benefit it received
from the fund was applied.

(3) The annual accounting required under this section shall
include certifications by the Department of Labor and Workforce
Development, the Department of Environmental Protection, and the
Department of the Treasury that the entity and the beneficiaries are
in substantial good standing with the respective departments, or have
entered into an agreement with the respective department that
includes a practical corrective action plan.

(4) The entity and beneficiary, or an authorized agent thereof,
shall certify under the penalty of perjury that the information
provided pursuant to this subsection is true.

88. (New section) Notwithstanding the provisions of the
seq.), to the contrary, the chief executive officer of the authority may adopt, immediately, upon filing with the Office of Administrative Law, regulations that the chief executive officer deems necessary to implement the provisions of sections 82 through 88 of P.L. c. (C. ) (pending before the Legislature as this bill), which regulations shall be effective for a period not to exceed 180 days from the date of the filing. The chief executive officer shall thereafter amend, adopt, or readopt the regulations in accordance with the requirements of P.L.1968, c.410 (C.52:14B-1 et seq.).

89. (New section) a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under the " Emerge Program Act," sections 68 through 81 of P.L. c. (C. ) (pending before the Legislature as this bill), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L. c. (C. ) (pending before the Legislature as this bill).

b. The Director of the Division of Taxation in the Department of the Treasury may purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections 1 through 8 of P.L. c. (C. ) (pending before the Legislature as this bill);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L. c. (C. ) (pending before the Legislature as this bill);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L. c. (C. ) (pending before the Legislature as this bill);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L. c. (C. ) (pending before the Legislature as this bill);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L. c. (C. ) (pending before the Legislature as this bill);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. c. (C. ) (pending before the Legislature as this bill);

(7) the " Emerge Program Act," sections 68 through 81 of P.L. c. (C. ) (pending before the Legislature as this bill);

(8) the Grow New Jersey Assistance Program established pursuant to section 3 of P.L.2011, c.149 (C.34:1B-244);

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);
(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b); and
(12) section 2 of P.L.2018, c.56 (C.54A:4-12b).

90. (New section) a. There is established in the New Jersey Economic Development Authority a Working Group on Entrepreneur Zones for the purpose of making recommendations for the establishment of entrepreneur zones throughout the State. The working group shall consider whether the establishment of entrepreneur zones in which the State provides the tax incentives, regulation relief, and financial support to local entrepreneurs is the most effective way to create jobs in the State. The working group shall identify census tracts within the State that are suitable for designation as an entrepreneur zone.

b. The working group shall consist of seven members appointed by the chief executive officer of the New Jersey Economic Development Authority.

c. Appointments to the working group shall be made within 30 days after the effective date of this act. Vacancies in the membership of the working group shall be filled in the same manner as the original appointments were made.

91. (New section) a. As used in this section:
"Personal protective equipment" means coveralls, face shields, gloves, gowns, masks, respirators, and other equipment designed to protect the wearer from the spread of infection or illness.

"State agency" means any principal department in the Executive Branch of State government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, and any independent State authority, commission, instrumentality or agency, other than in the Legislative or Judicial Branches of State government, which is authorized by law to award public contracts.

b. Notwithstanding the provisions of any other law to the contrary, whenever the Director of the Division of Purchase and Property, or the head of any State agency shall consider bids on any contract for the purchase of personal protective equipment that is publicly advertised for bids, the director or the head of a State agency shall list the bidders in order based upon which bid, conforming to the invitation for bids, would be most advantageous to the State, price, and other factors considered. If the first bidder on the list has its principal place of business in this State it shall be awarded the contract. If no bidder having its principal place of business in this State has submitted a bid that is within five percent of the bid submitted by the bidder at the top of the list that has its principal place of business outside of this State, the contract shall be awarded to the bidder at the top of the list. If the first bidder on the list has its principal place of business outside of this State and a bidder that has its principal place of business in this State is on the list and has
submitted a bid that is within five percent of the bid submitted by the bidder at the top of the list that has its principal place of business outside of this State, the contract shall be awarded to the highest listed in-State bidder.

Any specifications for the provision or personal protective equipment under this act shall be drafted in a manner to encourage free, open, and competitive bidding.

Any specification which knowingly excludes prospective bidders by reason of the impossibility of performance, bidding, or qualifications by any but one bidder shall be null and void and of no effect.

c. The State Treasurer shall adopt such rules and regulations as may be necessary to implement the provisions of this section pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

92. (New section) Sections 92 through 97 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be known and may be cited as the "New Jersey Ignite Act."

93. (New section) As used in sections 92 through 97 of P.L. , c. (C. ) (pending before the Legislature as this bill):

"Authority" means the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

"Authority commitment period" means the period for which the authority commits to provide a start-up rent grant for the payment of rent in a collaborative workspace

"Collaborative workspace" means a business facility certified pursuant to section 95 of P.L. , c. (C. ) (pending before the Legislature as this bill), located in this State, developed to provide flexible workspaces for early stage innovation economy businesses, and designed to encourage community and collaboration within an inter-connected environment in which multiple start-up businesses have access to shared community events and shared workplace accommodations including, but not limited to, kitchens and makerspaces.

"Collaborative workspace commitment period" means a period of months equal to one-half the number of months of the authority commitment period.

"Community event" means an event hosted by a collaborative workspace and accessible to start-up tenant or member businesses, without charge or with nominal charge, organized to support an innovation ecosystem, as defined in section 21 of P.L. , c. (C. ) (pending before the Legislature as this bill), at the collaborative workspace, including, but not limited to, events such as meet-ups, speaker series, and office hours for lawyers, accountants, consultants, or investors.
"Early stage innovation economy business" means a business that operates within a targeted industry with at least one full-time employee, who is assigned to the collaborative workspace, and fewer than 10 employees overall and with less than $1,000,000 in gross sales over the 12-month period immediately prior to submitting an application for tenancy at a collaborative workspace. To be considered an "early stage innovation economy business" the earliest date of formation for the business must have been not more than three years prior to utilizing or renting space in, or access to, the collaborative workspace under the program, and the business shall not have previously utilized or rented space in, or access to, another collaborative workspace in the State.

"Full time employee" means a person who is: employed by the start-up tenant or member business for at least 35 hours a week; working as an independent contractor providing critical capabilities to the start-up tenant or member business for at least 35 hours a week; or an owner or partner of the start-up tenant or member business who works for at start-up tenant or member business for at least 35 hours a week.

"Grant agreement" means an agreement between the authority and the owner and operator of a collaborative workspace which memorializes the terms and conditions of the collaborative workspace’s participation in the program.

"Program" means the New Jersey Ignite Program established pursuant to section 94 of P.L. . , c. (C. ) (pending before the Legislature as this bill).

"Targeted industry" means any industry identified from time to time by the authority which shall initially include advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, information and high technology, finance and insurance, professional services, film and digital media, and non-retail food and beverage businesses, including food innovation and other innovative industries that disrupt current technologies or business models.

"Start-up rent grant" means a grant provided by the authority to a collaborative workspace for the rent that would otherwise be due to the collaborative workspace from a start-up tenant or member business for the period of the authority commitment period.

"Start-up tenant or member business" means an early stage innovation economy business that is registered to do business in New Jersey, rents space in, or access to, a collaborative workspace under the program, and enters into an agreement with the owner and operator of the collaborative workspace to rent space in, or access to, the collaborative workspace for an agreed upon period, which shall include the authority commitment period, collaborative workspace commitment period, and start-up tenant or member business commitment period.
"Start-up tenant or member business commitment period” means a period of months equal to the sum of the authority commitment period and the collaborative workspace commitment period.

94. (New section) The New Jersey Ignite Program is hereby established as a program under the jurisdiction of the authority. The purpose of the program shall be to foster early stage innovation economy businesses and to help those businesses overcome barriers to commercial success. The authority shall structure the program as a public-private partnership through which the authority provides start-up rent grants to collaborative workspaces, certified pursuant to section 95 of P.L. , c. (C. ) (pending before the Legislature as this bill), to support the early months of an early stage innovation economy business’s rent at the collaborative workspace.

95. (New section) a. The owner and operator of a business facility located in the State may apply to the authority to have the business facility certified as a collaborative workspace under the program. A business facility shall be eligible for certification as a collaborative workspace if:

(1) the business facility is developed to provide flexible workspaces for early stage innovation economy businesses;

(2) the business facility is designed to encourage community and collaboration within an inter-connected environment in which multiple start-up businesses have access to shared workplace accommodations;

(3) the owner and operator of the business facility commits to hosting at least eight community events at the business facility each year;

(4) the owner and operator of the business facility possesses a tax clearance certificate issued by the Division of Taxation in the Department of the Treasury;

(5) the owner and operator of the business facility possesses a business registration certificate issued by the Division of Revenue in the Department of the Treasury;

(6) at least five unique tenant or member businesses, in which the owner and operator of the business facility does not have a direct financial interest, have paid rent for space in, or access to, the business facility over the two years immediately preceding the submission of the application for certification as a collaborative workspace pursuant to this section or, if the business facility has been open for less than 90 days, the owner and operator of the business facility provides to the authority at least three letters of intent from prospective tenant or member businesses;

(7) the business facility is subject to ongoing operating costs, such as rent, mortgage payments, or internal corporate charge-backs, at the time of application for certification pursuant to this section;
(8) the owner and operator of the business facility offers at least one type of workspace at the business facility for rent by an early stage innovation economy business;

(9) the owner and operator of the business facility charges rent to tenants or members; and

(10) the owner and operator of the business facility certifies that any rent charged to a start-up tenant or member business is to be market-rate.

b. In addition to the requirements set forth in subsection a. of this section, for a business facility to qualify for certification as a collaborative workspace, the authority may, in its discretion and subject to available funds, require the owner and operator of the business facility shall commit to paying one month's rent for a start-up tenant or member business at the business facility for every two months of rent to be paid by the authority as a start-up rent grant under the program.

c. (1) The owner and operator of a business facility eligible for certification as a collaborative workspace pursuant to subsections a. and b. of this section shall submit an application for certification and participation in the program in such form as required by the authority. The application shall include any information the authority determines is necessary to administer the program.

(2) In evaluating applications for certification as a collaborative workspace, the authority may conduct site visits or perform any other investigation necessary to confirm any statement made in the application submitted by the owner and operator of the business facility. If the authority later finds that any statement made in the application for certification is inaccurate, then the authority may rescind its certification of the collaborative workspace.

d. Following approval of an application for certification, to participate in the program the authority and the owner and operator of a collaborative workspace shall enter into a grant agreement governing the terms, conditions, and timing under which the authority shall pay the start-up rent grant to the owner and operator of the collaborative workspace. The grant agreement shall require a collaborative workspace to share data concerning its participation in the program and on collaborative workspace utilization for the purpose of better program planning and the development of new programs to further support the State’s economy.

96. (New section) a. Up to the limits established in this subsection and in accordance with the grant agreement, the authority shall provide start-up rent grants to the owner and operator of a collaborative workspace through a series of scheduled payments as set forth in the grant agreement. The owner and operator of the collaborative workspace shall utilize the grant funding to provide rent-free space to a start-up tenant or member business that agrees to continue renting space in, or access to, the collaborative workspace
for the start-up tenant or member business commitment period. The
maximum start-up rent grant that the authority may provide to a
collaborative workspace for the tenancy of a single start-up tenant or
member business shall not exceed $25,000.

b. The authority may provide a start-up rent grant for the
payment of rent for space in, or access to, a collaborative workspace
for up to six months; provided, however, if a collaborative workspace
or start-up tenant or member business satisfies any of the bonuses set
forth in paragraphs (1) through (5) of this subsection, then the
authority may provide an additional month of rent for each bonus
satisfied by the collaborative workspace or start-up tenant or member
business. The authority shall award a bonus to the owner and
operator of a collaborative workspace if:

(1) the collaborative workspace is located in a qualified
opportunity zone designated pursuant to 26 U.S.C. s.1400Z-1;

(2) the collaborative workspace is affiliated with a hospital
system or a New Jersey university;

(3) the collaborative workspace has been open less than 90 days
from the date on which the owner and operator of the collaborative
workspace applied to the authority to participate in the program and
the collaborative workspace is not in the same location as an existing
facility;

(4) the start-up tenant or member business for which the start-up
rent grant is paid is certified by the State as a "minority business" or
a "women’s business" pursuant to P.L.1986, c.195 (C.52:27H-21.17
et seq.); or

(5) the start-up tenant or member business for which the start-up
rent grant is paid is the first presence of a foreign company entering
into the United States.

c. (1) The owner and operator of a collaborative workspace
shall annually certify to the authority, under the penalty of perjury,
that it is in compliance with the grant agreement.

(2) In addition to the certification required pursuant to paragraph
(1) of this subsection, the authority shall conduct an annual
inspection and review of the collaborative workspace and may
request documentation evidencing that the collaborative workspace
utilized the start-up rent grant it received from the authority in
accordance with the requirements of the program and the grant
agreement.

d. (1) If a start-up tenant or member business stops
occupying or accessing a collaborative workspace before the end of
the start-up tenant or member business commitment period, then the
collaborative workspace shall refund to the authority that portion of
the start-up rent grant covering any period in which the start-up
tenant or member business did not have space in, or access to, the
collaborative workspace.

(2) If the authority determines that a collaborative workspace is
not in compliance with the requirements of the program or of the
grant agreement, then the authority shall rescind the business facility’s certification as a collaborative workspace and bar the business facility from further participation in the program.

97. (New section) The authority shall promulgate rules and regulations necessary for the effective implementation of sections 92 through 97 of P.L. , c. (C. ) (pending before the Legislature as this bill). Notwithstanding any provision of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the authority may adopt, immediately upon filing with the Office of Administrative Law, such regulations as are necessary to implement the provisions of sections 92 through 97 of P.L. , c. (C. ) (pending before the Legislature as this bill), which shall be effective for a period not to exceed 12 months following enactment, and shall thereafter be amended, adopted, or readopted by the authority in accordance with the requirements of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

98. (New section) a. The combined value of all tax credits awarded under the "Historic Property Reinvestment Act," sections 1 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill), the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L. , c. (C. ) (pending before the Legislature as this bill), the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L. , c. (C. ) (pending before the Legislature as this bill), the "Food Desert Relief Act," sections 35 through 42 of P.L. , c. (C. ) (pending before the Legislature as this bill), the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill); the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill); and the "Emerge Program Act," sections 68 through 81 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not exceed an overall cap of $11.5 billion over a six-year period, subject to the conditions and limitations set forth in this section. Of this $11.5 billion, $2.5 billion shall be reserved for transformative projects approved under the Aspire Program or the Emerge Program.

b. (1) The total value of tax credits awarded under any constituent program of the "New Jersey Economic Recovery Act of 2020," P.L. , c. (C. ) (pending before the Legislature as this bill) shall be subject to the following annual limitations, except as otherwise provided in subsection c. of this section:

(a) for tax credits awarded under the "Historic Property Reinvestment Act," sections 1 through 8 of P.L. , c. (C. ) (pending before the Legislature as this bill), the total value of tax credits annually awarded during the six-year period shall not exceed $50 million;
(b) for tax credits awarded under the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L. , c. (C. ) (pending before the Legislature as this bill), the total value of tax credits annually awarded during the six-year period shall not exceed $50 million;

c. (C. ) (pending before the Legislature as this bill), the total value of tax credits annually awarded during the six-year period shall not exceed $50 million;

c. (C. ) (pending before the Legislature as this bill), the total value of tax credits annually awarded during the six-year period shall not exceed $50 million;

d. (C. ) (pending before the Legislature as this bill), the total value of tax credits annually awarded during the six-year period shall not exceed $50 million;

e. (C. ) (pending before the Legislature as this bill), the total value of tax credits annually awarded during the six-year period shall not exceed $50 million;

(f) for tax credits awarded under the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill), the "Emerge Program Act," sections 68 through 81 of P.L. , c. (C. ) (pending before the Legislature as this bill), not including tax credits awarded for transformative projects, the total value of tax credits annually awarded during the six-year period shall not exceed $1.1 billion, except that during each of the first three years of the six-year period, the authority shall annually award tax credits valuing no greater than $715 million for projects located in the northern counties of the State, and the authority shall annually award tax credits valuing no greater than $385 million for projects located in the southern counties of the State.

If during any of the first three years of the six-year period, the
authority awards tax credits in an amount less than the annual
limitation for projects located in northern counties or southern
counties, as applicable, the uncommitted portion of the annual
limitation shall be available to be deployed by the authority in the
subsequent year, provided that the uncommitted portion of tax credits
shall be awarded for projects located in the applicable geographic
area. During each of the final three years of the six-year period, the
authority may annually award available tax credits, including the
uncommitted portion of the annual limitation for any previous year,
without consideration to the county in which the project is located;
and
(g) for tax credits awarded for transformative projects under the
"New Jersey Aspire Program Act," sections 54 through 67 of P.L. ,
c. (C. ) (pending before the Legislature as this bill), and the
"Emerge Program Act," sections 68 through 81 of P.L. ,
c. (C. ) (pending before the Legislature as this bill), the total
value of tax credits awarded during the six-year period shall not
exceed $2.5 billion. The total value of tax credits awarded for
transformative projects in a given year shall not be subject to an
annual limitation, except that no more than 10 transformative
projects shall be awarded tax credits during the six-year period, and
the total value of tax credits awarded to any transformative project
shall not exceed $250 million.
(2) The authority may in any given year determine that it is in the
State’s interest to approve an amount of tax credits in excess of the
annual limitations set forth in paragraph (1) of this subsection, but in
no event more than $200,000,000 in excess of the annual limitation,
upon a determination by the authority board that such increase is
warranted based on specific criteria that may include:
(i) the increased demand for opportunities to create or retain
employment and investment the State as indicated by the volume of
project applications and the amount of tax credits being sought by
those applications;
(ii) the need to protect the State’s economic position in the event
of an economic downturn;
(iii) the quality of project applications and the net economic
benefit to the State and municipalities associated with those
applications;
(iv) opportunities for project applications to strengthen or protect
the competitiveness of the state under the prevailing market
conditions;
(v) enhanced access to employment and investment for
underserved populations in distressed municipalities and qualified
incentives tracts;
(vi) increased investment and employment in high-growth
technology sectors and in projects that entail collaboration with
education institutions in the State;
(vii) increased development proximate to mass transit facilities;
(viii) any other factor deemed relevant by the authority.

c. In the event that the authority in any year approves projects
for tax credits in an amount less than the annual limitations set forth
in paragraph (1) of subsection b. of this section, then the
uncommitted portion of the annual limitation shall be available to be
deployed by the authority in future years for projects; provided
however, that in no event shall the aggregate amount of tax credits
approved be in excess of the overall cap of $11.5 billion.

99. (New section) Sections 99 through 105 of P.L.,
c. (C.) (pending before the Legislature as this bill) shall be
known and may be cited as the "Economic Development Authority
Integrity and Protection Act."

100. (New section) As used in sections 99 through 105 of P.L.,
c. (C.) (pending before the Legislature as this bill):
"Economic development incentive" means a financial incentive,
awarded to the authority by a person or entity, or agreed to between
the authority and a person or entity, for the purpose of stimulating
economic development or redevelopment in New Jersey, including,
but not limited to, a bond, grant, loan, loan guarantee, matching fund,
tax credit, tax deduction, or other tax expenditure.
"Fraud" means a deception or misrepresentation made by any
person or entity with the knowledge that the deception or
misrepresentation could result in some unauthorized benefit to that
person or entity or another person or entity, including any act that
constitutes fraud under applicable federal or State law.
"Economic development investigation" means an investigation of
fraud, abuse, or illegal acts perpetrated within economic development
incentive programs by applicants for, or recipients of, economic
development incentives.
"Office of the Economic Development Inspector General" means
the Office of the Economic Development Inspector General created
by section 102 of P.L., c. (C.) (pending before the Legislature
as this bill).

101. (New section) a. The New Jersey Economic Development
Authority shall employ a Chief Compliance Officer, who shall be
appointed by the Chief Executive Officer of the authority to manage
the Division of Portfolio Management and Compliance in the
authority.
b. The Chief Compliance Officer shall:
(1) create, maintain, monitor, and coordinate procedures to
ensure that all economic development incentive programs, authority
employees, and economic development incentive program applicants
and recipients comply fully with the requirements of the
corresponding economic development incentive program;
(2) conduct, on such periodic basis as determined by the authority, systematic audits of economic development incentive programs for compliance with the laws, regulations, codes, orders, procedures, advisory opinions and rulings concerning those programs;

(3) maintain a central database of information concerning the management of all economic development incentive programs and information on economic development incentive program applicants and recipients to provide for the regular and ongoing reporting, verification, and monitoring of the State’s economic development incentive programs;

(4) prior to the adoption of any rule or regulation by the authority or the board related to the general administration of the programs administered by the authority pursuant to section 6 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 19 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 29 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 34 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 41 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 67 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 79 of P.L. , c. (C. ) (pending before the Legislature as this bill), section 88 of P.L. , c. (C. ) (pending before the Legislature as this bill), and section 97 of P.L. , c. (C. ) (pending before the Legislature as this bill), or any other regulation specifically related to the recapture of economic development incentive award values, review and certify that the provisions of program rules or regulations provide the authority with adequate procedures to pursue the recapture of the value of an economic development incentive in the case of substantial noncompliance, fraud, or abuse by the economic development incentive recipient, and that program rules and regulations are sufficient to ensure against economic development incentive fraud, waste, and abuse; and

(5) refer, to the Economic Development Inspector General and to the Attorney General, information on suspected fraud or abuse identified by the Division of Portfolio Management and Compliance.

c. The Chief Compliance Officer, in consultation with the Department of Labor and Workforce Development and the Department of the Treasury, shall:

Develop, adopt, and implement a corrective action plan, within one year of the effective date of sections 99 through 105 of P.L. , c. (C. ) (pending before the Legislature as this bill) and within six months of receiving notice of any program deficiency issued by the Economic Development Inspector General, that is designed to enable the authority to properly manage the economic development incentive programs administered by the authority, and adopt rules and regulations concerning the administration and enforcement of the Division of Portfolio Management and Compliance’s duties in a
manner that is most compatible with ensuring against fraud and abuse
in the State’s economic development incentive programs.

102. (New section) a. There is established, in the authority, the
Office of the Economic Development Inspector General, which shall
operate independent of the oversight or management of the Chief
Executive Officer of the authority. The Office of the Economic
Development Inspector General shall operate under the Economic
Development Inspector General, who shall be a retired member of
the Judicial Branch of the State, to be appointed by the Governor with
the advice and consent of the Senate for a term of four years. The
Economic Development Inspector General shall direct the work of
the Office of the Economic Development Inspector General and have
the following general functions, duties, powers, and responsibilities:

(1) to appoint such deputies, directors, assistants, and other
officers and employees as may be needed for the Office of the
Economic Development Inspector General to meet its
responsibilities, and to prescribe their duties and fix their
compensation within the amounts appropriated therefor;
(2) to conduct and supervise State government activities relating
to State economic development incentive integrity, fraud, and abuse;
(3) to call upon any department, office, division, or agency of
State government to provide such information, resources, or other
assistance as the Economic Development Inspector General deems
necessary to discharge the duties and functions and to fulfill the
responsibilities of the Economic Development Inspector General
under sections 99 through 105 of P.L. , c. ( ) (pending
before the Legislature as this bill). Each department, office, division,
and agency of this State shall cooperate with the Economic
Development Inspector General and furnish the Office of the
Economic Development Inspector General with the assistance
necessary to accomplish the purposes of sections 99 through 105 of
P.L. , c. ( ) (pending before the Legislature as this bill);
(4) to coordinate activities to prevent, detect, and investigate
economic development incentive fraud and abuse among the
following: the authority, State and local government officials, and all
economic development incentive applicants and recipients;
(5) to recommend and implement policies relating to economic
development incentive integrity, fraud, and abuse, and monitor the
implementation of any recommendations made by the Office of the
Economic Development Inspector General to the authority for the
administration of economic development incentives;
(6) to perform any other functions that are necessary or
appropriate in furtherance of the mission of the Office of the
Economic Development Inspector General; and
(7) to direct an economic development incentive applicant or
recipient to cooperate with the Office of the Economic Development
Inspector General and provide such information or assistance as shall
be reasonably required by the Office of the Economic Development Inspector General.

b. As it relates to ensuring compliance with applicable economic development incentive standards and requirements, identifying and reducing fraud and abuse, and improving the efficiency and effectiveness of economic development incentives, the functions, duties, powers, and responsibilities of the Economic Development Inspector General shall include, but not be limited to, the following:

(1) to establish, in consultation with the authority and the Attorney General, guidelines under which the withholding of payments or exclusion from economic development incentive programs shall be imposed on an economic development incentive applicant or recipient;

(2) to review the utilization of economic development incentives to ensure that economic development incentive funds are appropriately spent to meet the goals and purposes of an individual economic development incentive program;

(3) to review and audit contracts, reports, documentation, claims, and all awards of economic development incentives to determine compliance with applicable laws, regulations, guidelines, and standards, and enhance program integrity;

(4) to consult with the authority to optimize the economic development incentive management information system in furtherance of the mission of the Office of the Economic Development Inspector General. The authority shall consult with the Economic Development Inspector General on matters that concern the operation, upgrade, and implementation of the economic development incentive management information system;

(5) to coordinate the implementation of information technology relating to economic development incentive integrity, fraud, and abuse;

(6) to conduct educational programs for economic development incentive State and local government officials and economic development incentive recipients designed to limit economic development incentive fraud and abuse; and

(7) to provide notice to the Chief Compliance Officer, appointed pursuant to section 101 of P.L. , c. (pending before the Legislature as this bill) if the Economic Development Inspector General determines that a program deficiency exists in an economic development incentive program administered by the authority and to provide notice to the Chief Executive Officer of the Authority of pending investigations if the Economic Development Inspector General determines that such disclosure is consistent with the public interest in maintaining the integrity of an economic development incentive program administered by the authority or to abate the continuation of fraud or abuse.

c. As it relates to investigating allegations of economic development incentive fraud and abuse and enforcing applicable
laws, rules, regulations, and standards, the functions, duties, powers, and responsibilities of the Economic Development Inspector General shall include, but not be limited to, the following:

1. (1) to conduct economic development investigations concerning any acts of misconduct within economic development incentive programs;

2. (2) to provide information concerning the economic development investigations of the Office of the Economic Development Inspector General to the Attorney General, law enforcement authorities, and any prosecutor of competent jurisdiction, and endeavor to develop these economic development investigations in a manner that expedites and facilitates criminal prosecutions and the recovery of improperly expended economic development incentives, including the maintenance of detailed records for cases processed by the Economic Development Inspector General. The records shall include: information on the total number of cases processed and, for each case, the agency and division to which the case is referred for an economic development investigation; the date on which the case is referred; and the nature of the suspected fraud or abuse.

3. (3) to provide information and evidence relating to suspected criminal acts that the Economic Development Inspector General may obtain in carrying out its duties to law enforcement officials when appropriate, and to provide such information to the Attorney General and county prosecutors in order to facilitate criminal economic development investigations and prosecutions;

4. (4) to refer complaints alleging criminal conduct to the Attorney General or other appropriate prosecutorial authority.

The Economic Development Inspector General shall maintain a record of all matters referred to the Attorney General and shall be authorized to disclose information received, as appropriate and as may be necessary to resolve the matter referred, to the extent consistent with the public interest in disclosure, the need for protecting the confidentiality of complainants and informants, and preserving the confidentiality of ongoing criminal economic development investigations. Notwithstanding any referral made pursuant to this subsection, the Economic Development Inspector General may pursue any administrative or civil remedy under the law.

A referral by the inspector general to the Attorney General or a prosecutorial authority shall in no way preclude the inspector general from performing its own separate, independent investigation; and

5. (5) in furtherance of an economic development investigation, to compel at a specific time and place, by subpoena, the appearance and sworn testimony of any person whom the Economic Development Inspector General reasonably believes may be able to give information relating to a matter subject to an economic development investigation:

a. (a) for this purpose, the Economic Development Inspector General is empowered to administer oaths and examine witnesses
under oath, and compel any person to produce at a specific time and
place, by subpoena, any documents, books, records, papers, objects,
or other evidence that the Economic Development Inspector General
reasonably believes may relate to a matter subject to an economic
development investigation; and

(b) if any person to whom a subpoena is issued fails to appear or,
having appeared, refuses to give testimony, or fails to produce the
books, papers, or other documents required, the Economic
Development Inspector General may apply to the Superior Court and
the court may order the person to appear and give testimony or
produce the books, papers, or other documents, as applicable. Any
person failing to obey that order may be held by the court in
contempt;

(6) subject to applicable State law, to have full and unrestricted
access to all records, reports, audits, reviews, documents, papers,
data, recommendations, or other material available to the authority
and other State and local government agencies with respect to which
the Office of the Economic Development Inspector General has
responsibilities under sections 102 through 105 of P.L. ,
c. (pending before the Legislature as this bill);

(7) to solicit, receive, and investigate complaints related to
economic development incentive integrity, fraud, and abuse; and

(8) to prepare cases, provide expert testimony, and support
administrative hearings and other legal proceedings.

d. As it relates to recovering improperly obtained economic
development incentives, imposing administrative sanctions,
damages, or penalties, and negotiating settlements to assure that all
governmental resources have been properly expended, the functions,
duties, powers, and responsibilities of the Economic Development
Inspector General shall include, but not be limited to, the following:

(1) to pursue civil and administrative enforcement actions against
those who engage in fraud, abuse, or illegal acts perpetrated under
economic development incentive programs. These civil and
administrative enforcement actions shall include the imposition of
administrative sanctions, penalties, suspension of fraudulent or
illegal awards, and actions for civil recovery and seizure of property
or other assets connected with such economic incentive awards;

(2) to initiate civil suits consistent with the provisions of sections
99 through 105 of P.L. , c. (pending before the Legislature as this bill), maintain actions for civil recovery on behalf of the State,
and enter into civil settlements;

(3) to require that the authority withhold payments to an
economic development incentive applicant or recipient if the
applicant or recipient unreasonably fails to produce complete and
accurate records related to an economic development investigation
that is initiated by the Office of the Economic Development Inspector
General with reasonable cause; and
to monitor and pursue the recoupment of economic
development incentive awards or portions thereof, damages,
penalties, and sanctions.

103. (New section) a. The Economic Development Inspector
General is authorized to request, and shall be entitled to receive, such
information, assistance, and cooperation from any State or local
government department, board, bureau, commission, or other agency
or unit thereof, as may be necessary to carry out the duties and
responsibilities of the Office of the Economic Development Inspector
General pursuant to sections 102 through 105 of P.L.  , c. (C. )
(pending before the Legislature as this bill).
b. Upon the request of a prosecutor of competent jurisdiction, an
office, department, or any other State or local government entity, the
Economic Development Inspector General shall provide information,
data, assistance, staff, and other resources as shall be necessary,
appropriate and available to aid and facilitate the economic
development investigation and prosecution of economic
development incentive fraud.

104. (New section) The Economic Development Inspector
General shall report annually to the Governor, to the Legislature,
pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), and to the
Attorney General, the activities of the Office of the Economic
Development Inspector General, as well as recommendations, if any,
for legislation to provide for the management of the State’s economic
development incentive programs.

105. (New section) The Economic Development Inspector
General, pursuant to the "Administrative Procedure Act," P.L.1968,
c.410 (C.52:14B-1 et seq.), shall adopt rules and regulations, in
consultation with the authority, the Department of Labor and
Workforce Development, and the Department of the Treasury,
concerning the administration and enforcement of the Office of the
Economic Development Inspector General’s duties pursuant to
sections 102 through 105 of P.L.  , c. (C. ) (pending before
the Legislature as this bill) in a manner that is most compatible with
ensuring against fraud and abuse in the State’s economic
development incentive programs.

106. (New section) a. For privilege periods ending in 2020, 2021,
and 2022, a taxpayer, upon approval of an application to the
authority, shall be allowed a credit against the tax imposed pursuant
to section 5 of P.L.1945, c.162 (C.54:10A-5) in the amount of
$10,000 for each qualifying new hire involved in the manufacture of
personal protective equipment in a qualified facility in which the
taxpayer made a capital investment during the privilege period.
b. The minimum capital investment in a qualified facility required to be eligible for a credit under this section shall be as follows:
   (1) for the rehabilitation, improvement, fit-out, or retrofit of an existing premises in Atlantic County, Burlington County, Cape May County, Cumberland County, Gloucester County, Ocean County, or Salem County, a minimum investment of $10 per square foot of gross leasable area;
   (2) for the rehabilitation, improvement, fit-out, or retrofit of an existing premises in counties in the State not listed in paragraph (1) of this subsection, a minimum investment of $20 per square foot of gross leasable area;
   (3) for the new construction of a premises in Atlantic County, Burlington County, Cape May County, Cumberland County, Gloucester County, Ocean County, or Salem County, a minimum investment of $100 per square foot of gross leasable area; or
   (4) for the new construction of a premises in counties in the State not listed in paragraph (3) of this subsection, a minimum investment of $120 per square foot of gross leasable area.

c. The minimum number of new or retained qualifying full-time jobs required to be eligible for a credit under this section shall be as follows:
   (1) for a qualified facility in Atlantic County, Burlington County, Cape May County, Cumberland County, Gloucester County, Ocean County, or Salem County, a minimum of five new or 15 retained qualifying full-time jobs; or
   (2) for a qualified facility in counties in the State not listed in paragraph (1) of this subsection, a minimum of ten new or 25 retained qualifying full-time jobs.

d. In addition to the amount of credit allowed pursuant to subsection a. of this section, a taxpayer shall be allowed the following tax credits for privilege periods ending in 2020, 2021, and 2022:
   (1) $1,000 per qualifying full-time job in the privilege period at a qualified facility that is a building vacant for not less than seven years in need of rehabilitation with a minimum of 250,000 square feet;
   (2) $1,500 per qualifying full-time job in the privilege period at a qualified facility in which the manufacturing of personal protective equipment is part of a research collaboration between the taxpayer and a college or university located within the State; and
   (3) $1,000 per qualifying full-time job in the privilege period at a qualified facility in which the taxpayer has established an apprenticeship program or pre-apprenticeship program with a technical school or county college located within the State.

e. The total credit allowed to a taxpayer pursuant to this section during the privilege period shall not exceed $500,000. A taxpayer shall not be eligible for a tax credit under this section for the same qualifying new hire for which the taxpayer is receiving a tax credit incentive award under the Emerge Program established by sections
68 through 81 of P.L.  , c. (C. ) (pending before the Legislature as this bill).

f. Notwithstanding the minimum tax schedule imposed pursuant to subsection (e) of section 5 of P.L. 1945, c.162 (C.54:10A-5), if the amount of the tax credit allowed exceeds the amount of corporation business tax otherwise due pursuant to section 5 of P.L. 1945, c.162 (C.54:10A-5), the amount of excess shall be treated as a refundable overpayment except that interest shall not be paid pursuant to section 7 of P.L.1992, c.175 (C.54:49-15.1) on the amount of overpayment attributable to this credit amount. The director shall determine the order of priority of the application of the credit allowed pursuant to this section and any other credits allowed by law.

g. The combined value of all tax credits approved by the authority and the director pursuant to this section and pursuant to section 2 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not exceed $10,000,000 in any State fiscal year to apply against the tax imposed pursuant to the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq., and the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5).

h. An application for the tax credit shall be submitted to the authority in a form and manner prescribed by the chief executive officer of the authority. As a condition of receiving tax credits under this section, an applicant shall be required to commit to employ qualifying new hires for which tax credits are awarded under this section for a period of five years.

i. Notwithstanding any provision of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the director chief executive officer of the authority is authorized to adopt immediately upon filing with the Office of Administrative Law such rules and regulations shall be effective for a period not to exceed 360 days following the date of filing and may thereafter be amended, adopted, or readopted by the chief executive officer of the authority in accordance with the requirements of P.L.1968, c.410 (C.52:14B-1 et seq.). The chief executive officer of the authority shall consult with the Commissioner of Health related to any specification requirements for what manufactured products are to qualify as personal protective equipment pursuant to this section.

j. As used in this section:

“Authority” means the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

“Director” means Director of the Division of Taxation in the Department of the Treasury;

“Personal protective equipment” means coveralls, face shields, gloves, gowns, masks, respirators, safeguard equipment, and other equipment designed to protect the wearer from the spread of infection or illness as may be modified from time to time by the board of the authority.
“Qualified facility” means a facility that is:

1. located in a redevelopment area or rehabilitation area as defined in section 3 of P.L.1992, c.79 (C.40A:12A-3);
2. located in a Smart Growth Area as identified by the Office of Planning Advocacy;
3. a facility in which the manufacturing of personal protective equipment is part of a research collaboration between the taxpayer a college or university located within the State;
4. a facility in which the taxpayer has established an apprenticeship program or pre-apprenticeship program with a technical school or community located within the State; or
5. a building vacant for not less than seven years in need of rehabilitation with a minimum of 250,000 square feet.

“Qualifying full-time job” means a full-time position in a business in this State which the business has filled with a full-time employee for the manufacturing of personal protective equipment in this State. The employee shall be employed for at least 35 hours a week and shall be paid employee wages at a rate of not less than $15 per hour, or render any other standard of service generally accepted by custom or practice as full-time employment, whose wages are subject to withholding as provided in the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq. and is paid employee wages at a rate of not less than $15 per hour. “Qualifying new hire” shall not include any person who works as an independent contractor or on a consulting basis for the business. “Qualifying new or retained job” includes only a position for which the taxpayer provides employee health benefits under a health benefits plan authorized pursuant to State or federal law.

107. a. For taxable years 2020, 2021, and 2022, a taxpayer, upon approval of an application to the authority shall be allowed a credit against the tax imposed pursuant to the “New Jersey Gross Income Tax Act” N.J.S.54A:1-1 et seq. in the amount of $10,000 for each qualifying new hire involved in the manufacture of personal protective equipment in a qualified facility in which the taxpayer made a capital investment during the taxable year.

b. The minimum capital investment in a qualified facility required to be eligible for a credit under this section shall be as follows:

1. for the rehabilitation, improvement, fit-out, or retrofit of an existing premises in Atlantic County, Burlington County, Cape May County, Cumberland County, Gloucester County, Ocean County, or Salem County, a minimum investment of $10 per square foot of gross leasable area;
2. for the rehabilitation, improvement, fit-out, or retrofit of an existing premises in counties in the State not listed in paragraph (1) of this subsection, a minimum investment of $20 per square foot of gross leasable area;
(3) for the new construction of a premises in Atlantic County, Burlington County, Cape May County, Cumberland County, Gloucester County, Ocean County, or Salem County, a minimum investment of $100 per square foot of gross leasable area; or
(4) for the new construction of a premises in counties in the State not listed in paragraph (3) of this subsection, a minimum investment of $120 per square foot of gross leasable area.

c. The minimum number of new or retained qualifying full-time jobs required to be eligible for a credit under this section shall be as follows:
(1) for a qualified facility in Atlantic County, Burlington County, Cape May County, Cumberland County, Gloucester County, Ocean County, or Salem County, a minimum of five new or 15 retained qualifying full-time jobs; and
(2) for a qualified facility in counties in the State not listed in paragraph (1) of this subsection, a minimum of ten new or 25 retained qualifying full-time jobs.

d. In addition to the amount of credit allowed pursuant to subsection a. of this section, a taxpayer shall be allowed the following tax credits for taxable years 2020, 2021, and 2022:
(1) $1,000 per qualifying full-time job in a taxable year at a qualified facility that is a building vacant for not less than seven years in need of rehabilitation with a minimum of 250,000 square feet;
(2) $1,500 per qualifying full-time job in a taxable year at a qualified facility in which the manufacturing of personal protective equipment is part of a research collaboration between the taxpayer and a college or university located within the State; and
(3) $1,000 per qualifying full-time job in a taxable year at a qualified facility in which the taxpayer has established an apprenticeship program or pre-apprenticeship program with a technical school or county college located within the State.

e. The total credit allowed to a taxpayer pursuant to this section during the taxable year shall not exceed $500,000. A taxpayer shall not be eligible for a tax credit under this section for the same qualifying new hire for which the taxpayer is receiving a tax credit incentive award under the Emerge Program established by sections 68 through 81 of P.L. , c. (C. ) (pending before the Legislature as this bill)
f. If the amount of the credit exceeds the amount of tax otherwise due, that amount of excess shall be an overpayment for the purposes of N.J.S.9A:9-7; provided however, that subsection (f) of N.J.S.9A:9-7 shall not apply. The director shall determine the order of priority of the application of the credit allowed pursuant to this section and any other credits allowed by law.
g. (1) A business entity that is classified as a partnership for federal income tax purposes shall not be allowed a tax credit pursuant to this section directly, but the amount of tax credit of a taxpayer in respect to distributive share of entity income, shall be determined by
allocating to the taxpayer that proportion of the tax credit acquired by the entity that is equal to the taxpayer’s share, whether or not distributed, of the total distributive income or gain of the entity for its taxable year ending within or with the taxpayer’s taxable year.

(2) A New Jersey S Corporation shall not be allowed a tax credit pursuant to this section directly, but the amount of the tax credit of a taxpayer in respect of a pro rata share of S Corporation income, shall be determined by allocating to the taxpayer that proportion of the tax credit acquired by the New Jersey S Corporation that is equal to the taxpayer’s share, whether or not distributed, of the total pro rata share of S Corporation income of the New Jersey S Corporation for its privilege period ending within or with the taxpayer’s taxable year.

h. The combined value of all tax credits approved by the authority and the director pursuant to this section and pursuant to section 1 of P.L. , c. (C. ) (pending before the Legislature as this bill) shall not exceed $10,000,000 in any State fiscal year to apply against the tax imposed pursuant to the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq., and the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5).

i. An application for the tax credit shall be submitted to the authority in a form and manner prescribed by the chief executive officer of the authority. As a condition of receiving tax credits under this section, an applicant shall be required to commit to employ qualifying new hires for which tax credits are awarded under this section for a period of five years.

j. Notwithstanding any provision of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the chief executive officer of the authority is authorized to adopt immediately upon filing with the Office of Administrative Law such rules and regulations shall be effective for a period not to exceed 360 days following the date of filing and may thereafter be amended, adopted, or readopted by the chief executive officer of the authority in accordance with the requirements of P.L.1968, c.410 (C.52:14B-1 et seq.). The chief executive officer of the authority shall consult with the Commissioner of Health related to any specification requirements for what manufactured products are to qualify as personal protective equipment pursuant to this section.

k. As used in this section:

“Authority” means the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

“Director” means Director of the Division of Taxation in the Department of the Treasury;

“Personal protective equipment” means coveralls, face shields, gloves, gowns, masks, respirators, safeguard equipment, and other equipment designed to protect the wearer from the spread of infection or illness as may be modified from time to time by the board of the authority.
“Qualified facility” means a facility that is:

(1) located in a redevelopment area or rehabilitation area as defined in section 3 of P.L.1992, c.79 (C.40A:12A-3);

(2) located in a Smart Growth Area as identified by the Office of Planning Advocacy;

(3) a facility in which the manufacturing of personal protective equipment is part of a research collaboration between the taxpayer a college or university located within the State;

(4) a facility in which the taxpayer has established an apprenticeship program or pre-apprenticeship program with a technical school or community located within the State; or

(5) a building vacant for not less than seven years in need of rehabilitation with a minimum of 250,000 square feet.

“Qualifying full-time job” means a full-time employee hired by the taxpayer during the privilege period for the manufacturing of personal protective equipment in this State. The person hired shall be employed for at least 35 hours a week and shall be paid employee wages at a rate of not less than $15 per hour, or render any other standard of service generally accepted by custom or practice as full-time employment, whose wages are subject to withholding as provided in the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq. and is paid employee wages at a rate of not less than $15 per hour. “Qualifying new hire” shall not include any person who works as an independent contractor or on a consulting basis for the business. “Qualifying new or retained job” includes only a position for which the taxpayer provides employee health benefits under a health benefits plan authorized pursuant to State or federal law.

108. Section 6 of P.L.2011, c.149 (C.34:1B-247) is amended to read as follows:

6. a. (1) The combined value of all credits approved by the authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) and P.L.2011, c.149 (C.34:1B-242 et al.) prior to December 31, 2013 shall not exceed $1,750,000,000, except as may be increased by the authority as set forth in paragraph (5) of subsection a. of section 35 of P.L.2009, c.90 (C.34:1B-209.3). Following the enactment of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), there shall be no monetary cap on the value of credits approved by the authority attributable to the program pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

(2) (Deleted by amendment, P.L.2013, c.161)

(3) (Deleted by amendment, P.L.2013, c.161)

(4) (Deleted by amendment, P.L.2013, c.161)

(5) (Deleted by amendment, P.L.2013, c.161)

b. (1) A business shall submit an application for tax credits prior to July 1, 2019. The authority shall not approve an application for tax credits unless the application was submitted prior to July 1, 2019.
(2) (a) A business shall submit its documentation indicating that it has met the capital investment and employment requirements and all conditions of approvals specified in the incentive agreement for certification of its tax credit amount, to the authority’s satisfaction, within three years following the date of approval of its application by the authority. The authority shall have the discretion to grant two six-month extensions of this deadline. If the authority accepts the documentation, the authority shall request that the Division of Taxation in the Department of the Treasury issue a tax credit based on the approved documentation to be used by the business during the eligibility period. Except as provided in subparagraphs (b) and (c) of this paragraph, in no event shall the incentive effective date occur later than four years following the date of approval of an application by the authority.

(b) As of the effective date of P.L.2017, c.314, a business which applied for the tax credit prior to July 1, 2014 under P.L.2011, c.149 (C.34:1B-242 et al.), shall submit its documentation to the authority no later than July 28, 2019, indicating that it has met the capital investment and employment requirements specified in the incentive agreement for certification of its tax credit amount.

(c) If the Governor declares an emergency, then the chief executive officer of the authority shall have the discretion to grant an extension for the duration of the emergency and the board of the authority, upon recommendation of the chief executive officer, may grant two additional six-month extensions; provided that (i) the extensions are due to the economic disruption caused by the emergency; (ii) the project is delayed due to unforeseeable acts related to the project beyond the eligible business’s control and without its fault or negligence; (iii) the eligible business is using best efforts, with all due diligence, to proceed with the completion of the project and the submission of the certification; and (iv) the eligible business has made, and continues to make, all reasonable efforts to prevent, avoid, mitigate, and overcome the delay.

(3) Full-time employment for an accounting or privilege period shall be determined as the average of the monthly full-time employment for the period.

(4) A business seeking a credit for a mega project shall apply for the credit within four years after the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

   c. (1) In conducting its annual review, the authority may require a business to submit any information determined by the authority to be necessary and relevant to its review.

   The credit amount for any tax period for which the documentation of a business’s credit amount remains uncertified as of a date three years after the closing date of that period shall be forfeited, although credit amounts for the remainder of the years of the eligibility period shall remain available to it.
The credit amount may be taken by the tax certificate holder for the tax period for which it was issued or may be carried forward for use by the tax certificate holder in any of the next 20 successive tax periods, and shall expire thereafter. The tax certificate holder may transfer the tax credit amount on or after the date of issuance or at any time within three years of the date of issuance for use by the transferee in the tax period for which it was issued or in any of the next 20 successive tax periods. Notwithstanding the foregoing, no more than the amount of tax credits equal to the total credit amount divided by the duration of the eligibility period in years may be taken in any tax period.

A business may elect to suspend its obligations for the 2020 tax period and, if the public health emergency or state of emergency declared due to the COVID-19 pandemic extends past March 2021, the 2021 tax period, provided that the business shall make such election in writing to the authority before the date the annual report is due and such suspension shall extend the term of the eligibility period by a corresponding amount of time. The authority shall amend the incentive agreement, and the business shall execute the amended incentive agreement within the time period provided by the authority. The amended incentive agreement shall provide that the failure to submit the annual report due to the suspension shall not be a forfeiture or an uncertified tax period.

(2) Credits granted to a partnership shall be passed through to the partners, members, or owners, respectively, pro-rata or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method provided to the Director of the Division of Taxation in the Department of the Treasury accompanied by any additional information as the director may require.

(3) The amount of credit allowed may be applied against the tax liability otherwise due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), pursuant to section 1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

(4) In order to respond to the profoundly negative impact of the COVID-19 pandemic on the State’s economy and finances, the authority may request a tax certificate holder, at the tax certificate holder’s discretion, to defer the application of a credit amount allowed pursuant to this section to a later tax period. Upon request, the authority and the tax certificate holder shall negotiate the terms of the deferral, which shall hold the certificate holder harmless, which will be made in the incentive agreement or as an addendum to the incentive agreement.

d. (1) If, in any tax period, the business reduces the total number of full-time employees in its Statewide workforce by more than 20 percent from the number of full-time employees in its Statewide workforce in the last tax period prior to the credit amount approval.
under section 3 of P.L.2011, c.149 (C.34:1B-244), then the business
shall forfeit its credit amount for that tax period and each subsequent
tax period, until the first tax period for which documentation
demonstrating the restoration of the business's Statewide workforce
to the threshold levels required by the incentive agreement has been
reviewed and approved by the authority, for which tax period and
each subsequent tax period the full amount of the credit shall be
allowed.

(2) If, in any tax period, the number of full-time employees
employed by the business at the qualified business facility located
within a qualified incentive area drops below 80 percent of the
number of new and retained full-time jobs specified in the incentive
agreement, then the business shall forfeit its credit amount for that
tax period and each subsequent tax period, until the first tax period
for which documentation demonstrating the restoration of the number
of full-time employees employed by the business at the qualified
business facility to 80 percent of the number of jobs specified in the
incentive agreement.

(3) (a) If the qualified business facility is sold by the owner in
whole or in part during the eligibility period, the new owner shall not
acquire the capital investment of the seller and the seller shall forfeit
all credits for the tax period in which the sale occurs and all
subsequent tax periods, provided however that any credits of the
business shall remain unaffected.

(b) In connection with a regional distribution facility of
foodstuffs, the business entity or entities which own or lease the
facility shall qualify as a business regardless of: (i) the type of the
business entity or entities which own or lease the facility; (ii) the
ownership or leasing of the facility by more than one business entity;
or (iii) the ownership of the business entity or entities which own or
lease the facility. The ownership or leasing, whether by members,
shareholders, partners, or other owners of the business entity or
entities, shall be treated as ownership or leasing by affiliates. The
members, shareholders, partners, or other ownership or leasing
participants and others that are tenants in the facility shall be treated
as affiliates for the purpose of counting the full-time employees and
capital investments in the facility. The business entity or entities may
distribute credits to members, shareholders, partners, or other
ownership or leasing participants in accordance with their respective
interests. If the business entity or entities or their members,
shareholders, partners, or other ownership or leasing participants
lease space in the facility to members, shareholders, partners, or other
ownership or leasing participants or others as tenants in the facility,
the leases shall be treated as a lease to an affiliate, and the business
entity or entities shall not be subject to forfeiture of the credits. For
the purposes of this section, leasing shall include subleasing and
tenants shall include subtenants.
(4) (a) For a project located within a Garden State Growth Zone, if, in any tax period, the number of full-time employees employed by the business at the qualified business facility located within a qualified incentive area increases above the number of full-time employees specified in the incentive agreement, then the business shall be entitled to an increased base credit amount for that tax period and each subsequent tax period, for each additional full-time employee added above the number of full-time employees specified in the incentive agreement, until the first tax period for which documentation demonstrating a reduction of the number of full-time employees employed by the business at the qualified business facility, at which time the tax credit amount will be adjusted accordingly pursuant to this section.

(b) For a project located within a Garden State Growth Zone which qualifies under the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or which contains a Tourism District as established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the Casino Reinvestment Development Authority, and which qualifies for a tax credit pursuant to subsubparagraph (ii) of subparagraphs (a) through (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), if, in any tax period the number of full-time employees employed by the business at the qualified business facility located within a qualified incentive area increases above the number of full-time employees specified in the incentive agreement such that the business shall then meet the minimum number of employees required in subparagraph (b), (c), (d), or (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), then the authority shall recalculate the total tax credit amount per full-time job by using the certified capital investment of the project allowable under the applicable subsubparagraph and the number of full-time jobs certified on the date of the recalculation and applying those numbers to subparagraph (b), (c), (d), or (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), until the first tax period for which documentation demonstrating a reduction of the number of full-time employees employed by the business at the qualified business facility, at which time the tax credit amount shall be adjusted accordingly pursuant to this section.

e. The authority shall not enter into an incentive agreement with a business that has previously received incentives pursuant to the "Business Retention and Relocation Assistance Act," P.L.1996, c.25 (C.34:1B-112 et seq.), the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et al.), or any other program administered by the authority unless:

(1) the business has satisfied all of its obligations underlying the previous award of incentives or is compliant with section 4 of P.L.2011, c.149 (C.34:1B-245); or
(2) the capital investment incurred and new or retained full-time jobs pledged by the business in the new incentive agreement are separate and apart from any capital investment or jobs underlying the previous award of incentives.

f. A business which has already applied for a tax credit incentive award prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), but who has not yet been approved for the tax credits, or has not executed an agreement with the authority, may proceed under that application or seek to amend the application or reapply for a tax credit incentive award for the same project or any part thereof for the purpose of availing itself of any more favorable provisions of the program.

g. A business that has entered into an incentive agreement may request before December 31, 2022 to terminate the incentive agreement due to the COVID-19 public health emergency; provided that the business shall submit a certification from the business's chief executive officer or equivalent officer stating that the termination is due to the public health emergency and describing the impact of the public health emergency on the business. All credits for the tax period in which the termination occurs and all subsequent tax periods shall be forfeited, provided however that any credits of the business shall remain unaffected.

h. A business that has entered into an incentive agreement may request to reduce the number of new or retained full-time jobs specified in the incentive agreement based on a certification of the business of the eligible positions at the qualified business facility commencing with the 2020 tax period and each subsequent tax period remaining in the eligibility period, provided that the business maintains the minimum number of new or retained full-time jobs required to be eligible pursuant to subsection c. of section 3 of P.L. 2011, c. 149 (C.34:1B-244). The reduction in employment shall first apply to the number of new full-time employees, and then shall apply to the number of retained full-time employees.

The authority shall calculate a new tax credit total amount for the 2020 tax period and the remainder of the eligibility period based on the reduced employment and shall amend the incentive agreement to reflect the recalculated award amount. In no event shall the modification result in an increase in employment or tax credit amount.

(cf: P.L.2020, c.8, s.3)

109. Section 6 of P.L.2010, c.57 (C.34:1B-209.4) is amended to read as follows:

6. a. (1) A business, upon application to and approval from the authority, shall be [allowed] awarded a credit of 100 percent of its capital investment, made after the effective date of P.L.2010, c.57 (C.48:3-87.1 et al.) but prior to its submission of documentation.
pursuant to subsection c. of this section, in a qualified wind energy facility located within an eligible wind energy zone in the State. The award of a tax credit pursuant to this section shall be structured so that the authority shall make up to four awards, each equaling 25 percent of the total value of the tax credit, to a qualified business over four privilege periods or taxable years in which the business meets the requirements for the minimum number of new, full-time employees. Otherwise eligible businesses with between 150 and 300 new, full-time jobs may receive an award based on a prorated formula developed by the authority. To be eligible for any tax credits authorized under this section, a business shall demonstrate to the authority, at the time of application, that the State's financial support of the proposed capital investment in a qualified wind energy facility will yield a net positive benefit to the State. The value of all credits approved by the authority pursuant to this section may be up to $100,000,000, except as may be increased by the authority if the chief executive officer of the authority judges certain qualified offshore wind projects to be meritorious. Credits provided pursuant to this section shall not be applicable to the cap on the credits provided in section 3 of P.L.2007, c.346 (C.34:1B-209).

(2) (a) A business, other than a tenant eligible pursuant to subparagraph (b) of this paragraph, shall make or acquire capital investments totaling not less than $50,000,000 in a qualified wind energy facility, at which the business, including tenants at the qualified wind energy facility, shall employ at least 300 the minimum number of new, full-time employees, to be eligible for a credit under this section. A business that acquires a qualified wind energy facility after the effective date of P.L.2010, c.57 (C.48:3-87.1 et al.) shall also be deemed to have acquired the capital investment made or acquired by the seller.

(b) A business that is a tenant in the qualified wind energy facility, the owner of which has made or acquired capital investments in the facility totaling more than $50,000,000, shall occupy a leased area of the qualified wind energy facility that represents at least $17,500,000 of the capital investment in the qualified wind energy facility at which at least 300 the minimum number of new, full-time employees in the aggregate are employed, to be eligible for a credit under this section. The amount of capital investment in a facility that a leased area represents shall be equal to that percentage of the owner's total capital investment in the facility that the percentage of net leasable area leased by the tenant is of the total net leasable area of the qualified business facility. Capital investments made by a tenant shall be deemed to be included in the calculation of the capital investment made or acquired by the owner, but only to the extent necessary to meet the owner's minimum capital investment of $50,000,000. Capital investments made by a tenant and not allocated to meet the owner's minimum capital investment threshold of
$50,000,000 shall be added to the amount of capital investment represented by the tenant's leased area in the qualified wind energy facility.

(c) The calculation of the number of new, full-time employees required pursuant to subparagraphs (a) and (b) of this paragraph may include the number of new, full-time positions resulting from an equipment supply coordination agreement with equipment manufacturers, suppliers, installers and operators associated with the supply chain required to support the qualified wind energy facility.

For the purposes of this paragraph, "full time employee" shall not include an employee who is a resident of another state and whose income is not subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., unless that state has entered into a reciprocity agreement with the State of New Jersey [], provided that any employee whose work is provided pursuant to a collective bargaining agreement with a business in the wind energy zone may be included.

(3) A business shall not be [allowed] awarded a tax credit pursuant to this section if the business receives a business employment incentive grant pursuant to the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et al.), relating to the same capital and employees that qualify the business for this credit, or if the business receives assistance pursuant to the "Business Retention and Relocation Assistance Act," P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is [allowed] awarded a tax credit under this section shall not be eligible for incentives authorized pursuant to the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27B-1.1 et al.).

(4) Full-time employment for an accounting or privilege period shall be determined as the average of the monthly full-time employment for the period.

b. A business shall apply for the credit by July 1, [2024] 2025, and a business shall submit its documentation for approval of its credit amount by July 1, [2027] 2028.

c. The credit [allowed] awarded pursuant to this section shall be administered in accordance with the provisions of subsection c. of section 3 of P.L.2007, c.346 (C.34:1B-209) and section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that all references therein to "qualified business facility" shall be deemed to refer to "qualified wind energy facility," as that term is defined in subsection f. of this section.

d. The amount of the credit [allowed] awarded pursuant to this section shall, except as otherwise provided, be equal to the capital investment made by the business, or the capital investment represented by the business's leased area, and shall be taken over a [10-year] five-year period, at the rate of [one-tenth] one-fifth of the total amount of the business's credit for each tax accounting or privilege period of the business, beginning with the [tax period]
privilege period or taxable year in which the business is first
approved by the authority as having met the investment capital and
employment qualifications, subject to any disqualification as
determined by annual review by the authority. In conducting its
annual review, the authority may require a business to submit any
information determined by the authority to be necessary and relevant
to its review. The credit amount for any [tax period] privilege period
or taxable year ending after the date 18 years after the effective date
of P.L. 2007, c.346 (C.34:1B-207 et seq.) during which the
documentation of a business’s credit amount remains unapproved
shall be forfeited, although credit amounts for the remainder of the
years of the [10-year] five-year credit period shall remain available.
The amount of the credit [allowed] awarded for a [tax period]
privilege period or taxable year to a business that is a tenant in a
qualified wind energy facility shall not exceed the business’s total
lease payments for occupancy of the qualified wind energy facility
for the [tax period] privilege period or taxable year.

e. The authority shall adopt rules and regulations pursuant to the
"Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement this section, including, but not
limited to: examples of and the determination of capital investment;
the nature of businesses and employment positions constituting and
participating in an equipment supply coordination agreement; a
determination of the types of businesses that may be eligible and
expenses that may constitute capital improvements; the promulgation
of procedures and forms necessary to apply for a credit; and
provisions for applicants to be charged an initial application fee, and
ongoing service fees, to cover the administrative costs related to the
credit.

The rules and regulations established by the authority pursuant to
this subsection shall be effective immediately upon filing with the
Office of Administrative Law and shall be effective for a period not
to exceed 12 months and may, thereafter, be amended, adopted or
readopted in accordance with the provisions of the "Administrative

f. As used in this section: the terms "authority," "business," and
"capital investment" shall have the same meanings as defined in
section 2 of the "Urban Transit Hub Tax Credit Act," P.L.2007, c.346
(C.34:1B-208), except that all references therein to "qualified
business facility" shall be deemed to refer to "qualified wind energy
facility" as defined in this subsection.

In addition, as used in this section:

"Equipment supply coordination agreement” means an agreement
between a business and equipment manufacturer, supplier, installer,
and operator that supports a qualified offshore wind project, or other
wind energy project as determined by the authority, and that indicates
the number of new, full-time jobs to be created by the agreement
participants towards the employment requirement as set forth in paragraph (2) of subsection a. of this section.

"Minimum number of new, full-time employees" means:

(1) for the first award, at least a cumulative 100 new, full-time employees compared to the number of full-time employees at the time of application;

(2) for the second award, for a privilege period or taxable year following the first award, at least a cumulative 150 new, full-time employees compared to the number of full-time employees at the time of application;

(3) for the third award, for a privilege period or taxable year following the second award, at least a cumulative 200 new, full-time employees compared to the number of full-time employees at the time of application; and

(4) for the fourth award, for a privilege period or taxable year following the third award, at least a cumulative 300 new, full-time employees compared to the number of full-time employees at the time of application.

"Qualified offshore wind project" shall have the same meaning as provided in section 3 of P.L.1999, c.23 (C.48:3-51).

"Qualified wind energy facility" means any building, complex of buildings, or structural components of buildings, including water access infrastructure, and all machinery and equipment used in the manufacturing, assembly, development or administration of component parts that support the development and operation of a qualified offshore wind project, or other wind energy project as determined by the authority [ ], and that are located in a wind energy zone].

["Wind energy zone" means property located in the South Jersey Port District established pursuant to "The South Jersey Port Corporation Act," P.L.1968, c.60 (C.12:11A-1 et seq.).]

(cf: P.L.2018, c.17, s.7)

110. Section 1 of P.L.2018, c.56 (C.54:10A-5.39b) is amended to read as follows:

1. a. (1) A taxpayer, upon approval of an application to the authority and the director, shall be allowed a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) in an amount equal to 30 percent of the qualified film production expenses of the taxpayer during a privilege period commencing on or after July 1, 2018 but before July 1, 2028, provided that:

(a) at least 60 percent of the total film production expenses, exclusive of post-production costs, of the taxpayer are incurred for services performed, and goods purchased through vendors authorized to do business, in New Jersey, or the qualified film production expenses of the taxpayer during the privilege period exceed $1,000,000 per production;
principal photography of the film commences within the earlier of 180 days from the date of the original application for the tax credit, or 150 days from the date of approval of the application for the tax credit;

c. the film includes, when determined to be appropriate by the commission, at no cost to the State, marketing materials promoting this State as a film and entertainment production destination, which materials shall include placement of a "Filmed in New Jersey" or "Produced in New Jersey" statement, or an approved logo approved by the commission, in the end credits of the film;

d. the taxpayer submits a tax credit verification report prepared by an independent certified public accountant licensed in this State in accordance with subsection f. of this section; and

e. the taxpayer complies with the withholding requirements provided for payments to loan out companies and independent contractors in accordance with subsection g. of this section.

(2) Notwithstanding the provisions of paragraph (1) of subsection a. of this section to the contrary, the tax credit allowed pursuant to this subsection against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) shall be in an amount equal to 35 percent of the qualified film production expenses of the taxpayer during a privilege period that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer or Salem County.

b. (1) A taxpayer, upon approval of an application to the authority and the director, shall be allowed a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) in an amount equal to 20 percent of the qualified digital media content production expenses of the taxpayer during a privilege period commencing on or after July 1, 2018 but before July 1, 2028, provided that:

(a) at least $2,000,000 of the total digital media content production expenses of the taxpayer are incurred for services performed, and goods purchased through vendors authorized to do business, in New Jersey;

(b) at least 50 percent of the qualified digital media content production expenses of the taxpayer are for wages and salaries paid to full-time or full-time equivalent employees in New Jersey;

(c) the taxpayer submits a tax credit verification report prepared by an independent certified public accountant licensed in this State in accordance with subsection f. of this section; and

(d) the taxpayer complies with the withholding requirements provided for payments to loan out companies and independent contractors in accordance with subsection g. of this section.

(2) Notwithstanding the provisions of paragraph (1) of subsection b. of this section to the contrary, the tax credit allowed pursuant to this subsection against the tax imposed pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5) shall be in an amount equal to 25 percent of the qualified digital media content production expenses of the taxpayer during a privilege period that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County.

c. No tax credit shall be allowed pursuant to this section for any costs or expenses included in the calculation of any other tax credit or exemption granted pursuant to a claim made on a tax return filed with the director, or included in the calculation of an award of business assistance or incentive, for a period of time that coincides with the privilege period for which a tax credit authorized pursuant to this section is allowed. The order of priority in which the tax credit allowed pursuant to this section and any other tax credits allowed by law may be taken shall be as prescribed by the director. The amount of the tax credit applied under this section against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), for a privilege period, when taken together with any other payments, credits, deductions, and adjustments allowed by law shall not reduce the tax liability of the taxpayer to an amount less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162 (C.54:10A-5). The amount of the tax credit otherwise allowable under this section which cannot be applied for the privilege period due to the limitations of this subsection or under other provisions of P.L.1945, c.162 (C.54:10A-1 et seq.) may be carried forward, if necessary, to the seven privilege periods following the privilege period for which the tax credit was allowed.

d. A taxpayer, with an application for a tax credit provided for in subsection a. or subsection b. of this section, may apply to the authority and the director for a tax credit transfer certificate in lieu of the taxpayer being allowed any amount of the tax credit against the tax liability of the taxpayer. The tax credit transfer certificate, upon receipt thereof by the taxpayer from the authority and the director, may be sold or assigned, in full or in part, to any other taxpayer that may have a tax liability under the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), or the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., in exchange for private financial assistance to be provided by the purchaser or assignee to the taxpayer that has applied for and been granted the tax credit. The tax credit transfer certificate provided to the taxpayer shall include a statement waiving the taxpayer's right to claim that amount of the tax credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) that the taxpayer has elected to sell or assign. The sale or assignment of any amount of a tax credit transfer certificate allowed under this section shall not be exchanged for consideration received by the taxpayer of less than 75 percent of the transferred tax credit amount. Any amount of a tax
credit transfer certificate used by a purchaser or assignee against a
tax liability under P.L.1945, c.162 (C.54:10A-1 et seq.) shall be
subject to the same limitations and conditions that apply to the use of
a tax credit pursuant to subsection c. of this section. Any amount of
a tax credit transfer certificate obtained by a purchaser or assignee
under subsection a. or subsection b. of this section may be applied
against the purchaser's or assignee's tax liability under N.J.S.54A:1-
1 et seq. and shall be subject to the same limitations and conditions
that apply to the use of a credit pursuant to subsections c. and d. of
section 2 of P.L.2018, c.56 (C.54A:4-12b).

e. (1) The value of tax credits, including tax credits allowed
through the granting of tax credit transfer certificates, approved by
the director and the authority pursuant to subsection a. of this section
and pursuant to subsection a. of section 2 of P.L.2018, c.56 (C.54A:4-
12b) to taxpayers, other than New Jersey film partners and New
Jersey film-lease partners, shall not exceed a cumulative total of
$100,000,000 in fiscal year 2019 and in each fiscal year thereafter
prior to fiscal year 2029 to apply against the tax imposed pursuant to
section 5 of P.L.1945, c.162 (C.54:10A-5) and the tax imposed
et seq. In addition to the $100,000,000 limitation on the value of tax
credits approved by the director for New Jersey film-lease partners
and the $100,000,000 limitation on the value of tax credits approved
by the director for other taxpayers imposed by this paragraph, the
value of tax credits, including tax credits allowed through the
granting of tax credit transfer certificates, approved by the director
and the authority pursuant to subsection a. of this section and
pursuant to subsection a. of section 2 of P.L.2018, c.56 (C.54A:4-
12b) to New Jersey film partners shall not exceed a cumulative total
of $100,000,000 in fiscal year 2021 and in each fiscal year thereafter
prior to fiscal year 2029 to apply against the tax imposed pursuant to
section 5 of P.L.1945, c.162 (C.54:10A-5) and the tax imposed
et seq. In addition to the $100,000,000 limitation on the value of tax
credits approved by the director for New Jersey film partners and the
$100,000,000 limitation on the value of tax credits approved by the
director for other taxpayers imposed by this paragraph, the value of
tax credits, including tax credits allowed through the granting of tax
credit transfer certificates, approved by the director and the authority
pursuant to subsection a. of this section and pursuant to subsection a.
of section 2 of P.L.2018, c.56 (C.54A:4-12b) to New Jersey film-
lease partners shall not exceed a cumulative total of $100,000,000 in
fiscal year 2021 and in each fiscal year thereafter prior to fiscal year
2029 to apply against the tax imposed pursuant to section 5 of
P.L.1945, c.162 (C.54:10A-5) and the tax imposed pursuant to the

If the cumulative total amount of tax credits, and tax credit transfer
certificates, allowed to taxpayers for privilege periods or taxable
years commencing during a single fiscal year under subsection a. of this section and subsection a. of section 2 of P.L.2018, c.56 (C.54A:4-12b) exceeds the amount of tax credits available in that fiscal year, then taxpayers who have first applied for and have not been allowed a tax credit or tax credit transfer certificate amount for that reason shall be allowed, in the order in which they have submitted an application, the amount of tax credit or tax credit transfer certificate on the first day of the next succeeding fiscal year in which tax credits and tax credit transfer certificates under subsection a. of this section and subsection a. of section 2 of P.L.2018, c.56 (C.54A:4-12b) are not in excess of the amount of credits available.

Notwithstanding any provision of paragraph (1) of this subsection to the contrary, for any fiscal year in which the amount of tax credits approved pursuant to this paragraph is less than the cumulative total amount of tax credits permitted to be approved in that fiscal year, the authority shall certify the amount of the remaining tax credits available for approval in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the certified amount remaining from the prior fiscal year. The authority shall also certify, for each fiscal year, the amount of tax credits that were previously approved, but that the taxpayer is not able to redeem or transfer to another taxpayer under this section, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the amount of tax credits previously approved, but not subject to redemption or transfer. The combined increase to the cumulative total permitted to be approved in a subsequent fiscal year pursuant to this paragraph shall not exceed $50,000,000.

(2) The value of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, approved by the authority and the director pursuant to subsection b. of this section and pursuant to subsection b. of section 2 of P.L.2018, c.56 (C.54A:4-12b) shall not exceed a cumulative total of $10,000,000 in fiscal year 2019 and in each fiscal year thereafter prior to fiscal year 2029 to apply against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) and the tax imposed pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.

If the total amount of tax credits and tax credit transfer certificates allowed to taxpayers for privilege periods or taxable years commencing during a single fiscal year under subsection b. of this section and subsection b. of section 2 of P.L.2018, c.56 (C.54A:4-12.b) exceeds the amount of tax credits available in that year, then taxpayers who have first applied for and have not been allowed a tax credit or tax credit transfer certificate amount for that reason shall be allowed, in the order in which they have submitted an application, the amount of tax credit or tax credit transfer certificate on the first day of the next succeeding fiscal year in which tax credits and tax
credit transfer certificates under subsection b. of this section and subsection b. of section 2 of P.L.2018, c.56 (C.54A:4-12.b) are not in excess of the amount of credits available.

Notwithstanding any provision of this paragraph to the contrary, for any fiscal year in which the amount of tax credits approved pursuant to this paragraph is less than the cumulative total amount of tax credits permitted to be approved in that fiscal year, the authority shall certify the amount of the remaining tax credits available for approval in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the certified amount remaining from the prior fiscal year. The authority shall also certify, for each fiscal year, the amount of tax credits that were previously approved, but that the taxpayer is not able to redeem or transfer to another taxpayer under this section, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the amount of tax credits previously approved, but not subject to redemption or transfer.

f. A taxpayer shall submit to the authority and the director a report prepared by an independent certified public accountant licensed in this State to verify the taxpayer's tax credit claim following the completion of the production. The report shall be prepared by the independent certified public accountant pursuant to agreed upon procedures prescribed by the authority and the director, and shall include such information and documentation as shall be determined to be necessary by the authority and the director to substantiate the qualified film production expenses or the qualified digital media content production expenses of the taxpayer. A single report with attachments deemed necessary by the authority shall be submitted electronically. Upon receipt of the report, the authority and the director shall review the findings of the independent certified public accountant's report, and shall make a determination as to the qualified film production expenses or the qualified digital media content production expenses of the taxpayer. The determination shall be provided in writing to the taxpayer, and a copy of the written determination shall be included in the filing of a return that includes a claim for a tax credit allowed pursuant to this section.

g. A taxpayer shall withhold from each payment to a loan out company or to an independent contractor an amount equal to 6.37 percent of the payment otherwise due. The amounts withheld shall be deemed to be withholding of liability pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., and the taxpayer shall be deemed to have the rights, duties, and responsibilities of an employer pursuant to chapter 7 of Title 54A of the New Jersey Statutes. The director shall allocate the amounts withheld for a taxable year to the accounts of the individuals who are employees of a loan out company in proportion to the employee's payment by the loan out company in connection with a trade, profession, or
occupation carried on in this State or for the rendition of personal
services performed in this State during the taxable year. A loan out
company that reports its payments to employees in connection with
a trade, profession, or occupation carried on in this State or for the
rendition of personal services performed in this State during a taxable
year shall be relieved of its duties and responsibilities as an employer
pursuant to chapter 7 of Title 54A of the New Jersey Statutes for the
taxable year for any payments relating to the payments on which the
taxpayer withheld.

h. As used in this section:
"Authority" means the New Jersey Economic Development
Authority.
"Business assistance or incentive" means "business assistance or
incentive" as that term is defined pursuant to section 1 of P.L.2007,
"Commission" means the Motion Picture and Television
Development Commission.
"Digital media content" means any data or information that is
produced in digital form, including data or information created in
analog form but reformatted in digital form, text, graphics,
photographs, animation, sound, and video content. "Digital media
content" shall not mean content offerings generated by the end user
(including postings on electronic bulletin boards and chat rooms);
content offerings comprised primarily of local news, events, weather,
or local market reports; public service content; electronic commerce
platforms (such as retail and wholesale websites); websites or content
offerings that contain obscene material as defined pursuant to
N.J.S.2C:34-2 and N.J.S.2C:34-3; websites or content that are
produced or maintained primarily for private, industrial, corporate,
or institutional purposes; or digital media content acquired or
licensed by the taxpayer for distribution or incorporation into the
taxpayer's digital media content.
"Film" means a feature film, a television series, or a television
show of 22 minutes or more in length, intended for a national
audience, or a television series or a television show of 22 minutes or
more in length intended for a national or regional audience,
including, but not limited to, a game show, award show, or other gala
event filmed and produced at a nonprofit arts and cultural venue
receiving State funding. "Film" shall not include a production
featuring news, current events, weather, and market reports or public
programming, talk show, or sports event, a production that solicits
funds, a production containing obscene material as defined under
N.J.S.2C:34-2 and N.J.S.2C:34-3, or a production primarily for
private, industrial, corporate, or institutional purposes, or a reality
show, except if the production company of the reality show owns,
leases, or otherwise occupies a production facility of no less than
20,000 square feet of real property for a minimum term of 24 months,
and invests no less than $3,000,000 in such a facility within a
designated enterprise zone established pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et al.),
or a UEZ-impacted business district established pursuant to section 3 of P.L.2001, c.347 (C.52:27H-66.2). "Film" shall not include an award show or other gala event that is not filmed and produced at a nonprofit arts and cultural venue receiving State funding.

"Full-time or full-time equivalent employee" means an individual employed by the taxpayer for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time or full-time equivalent employment, whose wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., or who is a partner of a taxpayer, who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time or full-time equivalent employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. "Full-time or full-time equivalent employee" shall not include an individual who works as an independent contractor or on a consulting basis for the taxpayer.

"Highly compensated individual" means an individual who directly or indirectly receives compensation in excess of $500,000 for the performance of services used directly in a production. An individual receives compensation indirectly when the taxpayer pays a loan out company that, in turn, pays the individual for the performance of services.

"Independent contractor" means an individual treated as an independent contractor for federal and State tax purposes who is contracted with by the taxpayer for the performance of services used directly in a production.

"Loan out company" means a personal service corporation or other entity that is contracted with by the taxpayer to provide specified individual personnel, such as artists, crew, actors, producers, or directors for the performance of services used directly in a production. "Loan out company" shall not include entities contracted with by the taxpayer to provide goods or ancillary contractor services such as catering, construction, trailers, equipment, or transportation.

“New Jersey film partner” means a film production company that has made a commitment to produce films or commercial audiovisual products in New Jersey and has developed, purchased, or executed a 10-year contract to lease a production facility of 250,000 square feet or more as a “transformative project” pursuant to section 65 of P.L. , c. (C. ___ ) (pending before the Legislature as this bill). No more than five film production companies may be designated as a New Jersey film partner.
“New Jersey film-lease partner” means a taxpayer, including any taxpayer that is a member of a combined group under P.L.2018, c.131 (C:54:10A-4.11), that has made a commitment to lease or acquire a New Jersey production facility with an aggregate square footage of at least 50,000 square feet, which includes a sound stage and production support space such as production offices or a backlot, for a period of five or more successive years and commits to spend, on a separate-entity basis or in the aggregate with other members of the taxpayer’s combined group, an annual average of $50,000,000 of qualified film production expenses over the period of at least five but not to exceed 10 years. The authority shall be permitted to recapture any credits awarded to a New Jersey film-lease partner if the New Jersey film-lease partner’s combined group fails to maintain a New Jersey production facility during the period prescribed or if the New Jersey film-lease partner, on a separate-entity basis or in the aggregate with other members of the New Jersey film-lease partner’s combined group, fails to spend an annual average of $50,000,000 of qualified film production expenses over the prescribed period.

"Partnership" means an entity classified as a partnership for federal income tax purposes.

"Post-production costs" means the costs of the phase of production of a film that follows principal photography, in which raw footage is cut and assembled into a finished film with sound synchronization and visual effects.

"Pre-production costs" means the costs of the phase of production of a film that precedes principal photography, in which a detailed schedule and budget for the production is prepared, the script and location is finalized, and contracts with vendors are negotiated.

"Qualified digital media content production expenses" means an expense incurred in New Jersey for the production of digital media content. "Qualified digital media content production expenses" shall include but not be limited to: wages and salaries of individuals employed in the production of digital media content on which the tax imposed by the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. has been paid or is due; and the costs of computer software and hardware, data processing, visualization technologies, sound synchronization, editing, and the rental of facilities and equipment. Payment made to a loan out company or to an independent contractor shall not be deemed a "qualified digital media content production expense" unless the payment is made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required pursuant to subsection g. of this section. "Qualified digital media content production expenses" shall not include expenses incurred in marketing, promotion, or advertising digital media or other costs not directly related to the production of digital media content. Costs related to the acquisition
or licensing of digital media content by the taxpayer for distribution
or incorporation into the taxpayer's digital media content shall not be
deemed "qualified digital media content production expenses."

"Qualified film production expenses" means an expense incurred
in New Jersey for the production of a film including pre-production
costs and post-production costs incurred in New Jersey. "Qualified
film production expenses" shall include but not be limited to: wages
and salaries of individuals employed in the production of a film on
which the tax imposed by the "New Jersey Gross Income Tax Act,"
N.J.S.54A:1-1 et seq. has been paid or is due; and the costs for
tangible personal property used, and services performed, directly and
exclusively in the production of a film, such as expenditures for film
production facilities, props, makeup, wardrobe, film processing,
camera, sound recording, set construction, lighting, shooting, editing,
and meals. Payment made to a loan out company or to an
independent contractor shall not be deemed a "qualified film
production expense" unless the payment is made in connection with
a trade, profession, or occupation carried on in this State or for the
rendition of personal services performed in this State and the
taxpayer has made the withholding required pursuant to subsection
g. of this section. "Qualified film production expenses" shall not
include: expenses incurred in marketing or advertising a film; and
payment in excess of $500,000 to a highly compensated individual
for costs for a story, script, or scenario used in the production of a
film and wages or salaries or other compensation for writers,
directors, including music directors, producers, and performers, other
than background actors with no scripted lines, except as follows:

(1) for a New Jersey film partner that incurs more than
$30,000,000, but less than $100,000,000, in qualified film production
expenses in the State, an amount, not to exceed $15,000,000, of the
wages or salaries or other compensation for writers, directors,
including music directors, producers, and performers, other than
background actors with no scripted lines, shall constitute qualified
film production expenses;

(2) for a New Jersey film partner that incurs $100,000,000 or
more, but less than $150,000,000, in qualified film production
expenses in the State, an amount, not to exceed $30,000,000, of the
wages or salaries or other compensation for writers, directors,
including music directors, producers, and performers, other than
background actors with no scripted lines, shall constitute qualified
film production expenses; and

(3) for a New Jersey film partner that incurs $150,000,000 or more
in qualified film production expenses in the State, an amount, not to
exceed $60,000,000, of the wages or salaries or other compensation
for writers, directors, including music directors, producers, and
performers, other than background actors with no scripted lines, shall
constitute qualified film production expenses.
"Total digital media content production expenses" means costs for services performed and property used or consumed in the production of digital media content.

"Total film production expenses" means costs for services performed and tangible personal property used or consumed in the production of a film.

i. A business that is not a "taxpayer" as defined and used in the "Corporation Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.) and therefore is not directly allowed a credit under this section, but is a business entity that is classified as a partnership for federal income tax purposes and is ultimately owned by a business entity that is a "corporation" as defined in subsection (c) of section 4 of P.L.1945, c.162 (C.54:10A-4), or a limited liability company formed under the "Revised Uniform Limited Liability Company Act," P.L.2012, c.50 (C.42:2C-1 et seq.), or qualified to do business in this State as a foreign limited liability company, with one member, and is wholly owned by the business entity that is a "corporation" as defined in subsection (c) of section 4 of P.L.1945, c.162 (C.54:10A-4), but otherwise meets all other requirements of this section, shall be considered an eligible applicant and "taxpayer" as that term is used in this section.

(cf: P.L.2019, c.506, s.1)

111. Section 2 of P.L.2018, c.56 (C.54A:4-12b) is amended to read as follows:

2. a. (1) A taxpayer, upon approval of an application to the authority and the director, shall be allowed a credit against the tax otherwise due for the taxable year under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., in an amount equal to 30 percent of the qualified film production expenses of the taxpayer during a taxable year commencing on or after July 1, 2018 but before July 1, 2028, provided that:

(a) at least 60 percent of the total film production expenses, exclusive of post-production costs, of the taxpayer are incurred for services performed, and goods purchased through vendors authorized to do business, in New Jersey, or the qualified film production expenses of the taxpayer during the taxable year exceed $1,000,000 per production;

(b) principal photography of the film commences within the earlier of 180 days from the date of the original application for the tax credit, or 150 days from the date of approval of the application for the tax credit;

(c) the film includes, when determined to be appropriate by the commission, at no cost to the State, marketing materials promoting this State as a film and entertainment production destination, which materials shall include placement of a "Filmed in New Jersey" or "Produced in New Jersey" statement, or an appropriate logo approved by the commission, in the end credits of the film;
(d) the taxpayer submits a tax credit verification report prepared by an independent certified public accountant licensed in this State in accordance with subsection g. of this section; and

(e) the taxpayer complies with the withholding requirements provided for payments to loan out companies and independent contractors in accordance with subsection h. of this section.

(2) Notwithstanding the provisions of paragraph (1) of subsection a. of this section to the contrary, the tax credit allowed pursuant to this subsection against the tax otherwise due for the taxable year under the "New Jersey Gross Income Tax Act," N.J.S. 54A:1-1 et seq., shall be in an amount equal to 35 percent of the qualified film production expenses of the taxpayer during a taxable year that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County.

b. (1) A taxpayer, upon approval of an application to the authority and the director, shall be allowed a credit against the tax otherwise due for the taxable year under the "New Jersey Gross Income Tax Act," N.J.S. 54A:1-1 et seq., in an amount equal to 20 percent of the qualified digital media content production expenses of the taxpayer during a taxable year commencing on or after July 1, 2018 but before July 1, 2028, provided that:

(a) at least $2,000,000 of the total digital media content production expenses of the taxpayer are incurred for services performed, and goods purchased through vendors authorized to do business, in New Jersey;

(b) at least 50 percent of the qualified digital media content production expenses of the taxpayer are for wages and salaries paid to full-time or full-time equivalent employees in New Jersey;

(c) the taxpayer submits a tax credit verification report prepared by an independent certified public accountant licensed in this State in accordance with subsection g. of this section; and

(d) the taxpayer complies with the withholding requirements provided for payments to loan out companies and independent contractors in accordance with subsection h. of this section.

(2) Notwithstanding the provisions of paragraph (1) of subsection b. of this section to the contrary, the tax credit allowed pursuant to this subsection against the tax otherwise due for the taxable year under the "New Jersey Gross Income Tax Act," N.J.S. 54A:1-1 et seq., shall be in an amount equal to 25 percent for the qualified digital media content production expenses of the taxpayer during a taxable year that are incurred for services performed and tangible personal property purchased through vendors whose primary place of business is located in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County.

c. No tax credit shall be allowed pursuant to this section for any costs or expenses included in the calculation of any other tax credit
or exemption granted pursuant to a claim made on a tax return filed
with the director, or included in the calculation of an award of
business assistance or incentive, for a period of time that coincides
with the taxable year for which a tax credit authorized pursuant to
this section is allowed. The order of priority in which the tax credit
allowed pursuant to this section and any other tax credits allowed by
law may be taken shall be as prescribed by the director. The amount
of the tax credit applied under this section against the tax otherwise
seq., for a taxable year, when taken together with any other payments,
credits, deductions, and adjustments allowed by law shall not reduce
the tax liability of the taxpayer to an amount less than zero. The
amount of the tax credit otherwise allowable under this section which
cannot be applied for the taxable year due to the limitations of this
subsection or under other provisions of N.J.S.54A:1-1 et seq., may
be carried forward, if necessary, to the seven taxable years following
the taxable year for which the tax credit was allowed.

d. (1) A business entity that is classified as a partnership for
federal income tax purposes shall not be allowed a tax credit pursuant
to this section directly, but the amount of tax credit of a taxpayer in
respect of a distributive share of entity income, shall be determined
by allocating to the taxpayer that proportion of the tax credit acquired
by the entity that is equal to the taxpayer’s share, whether or not
distributed, of the total distributive income or gain of the entity for
its taxable year ending within or with the taxpayer’s taxable year.
(2) A New Jersey S Corporation shall not be allowed a tax credit
pursuant to this section directly, but the amount of tax credit of a
taxpayer in respect of a pro rata share of S Corporation income, shall
be determined by allocating to the taxpayer that proportion of the tax
credit acquired by the New Jersey S Corporation that is equal to the
taxpayer’s share, whether or not distributed, of the total pro rata share
of S Corporation income of the New Jersey S Corporation for its
privilege period ending within or with the taxpayer’s taxable year.
A business entity that is not a gross income "taxpayer" as defined
et seq., and therefore is not directly allowed a credit under this
section, but otherwise meets all the other requirements of this section,
shall be considered an eligible applicant and "taxpayer" as that term
is used in this section, and the application of an otherwise allowed
credit amount shall be distributed to appropriate gross income
taxpayers pursuant to the other requirements of this subsection.
e. A taxpayer, with an application for a tax credit provided for
in subsection a. or subsection b. of this section, may apply to the
authority and the director for a tax credit transfer certificate in lieu
of the taxpayer being allowed any amount of the tax credit against
the tax liability of the taxpayer. The tax credit transfer certificate,
upon receipt thereof by the taxpayer from the authority and the
director, may be sold or assigned, in full or in part, to any other
taxpayer that may have a tax liability under the "New Jersey Gross
Income Tax Act," N.J.S.54A:1-1 et seq., or the "Corporation
Business Tax Act (1945)," P.L.1945, c.162 (C.54:10A-1 et seq.), in
exchange for private financial assistance to be provided by the
purchaser or assignee to the taxpayer that has applied for and been
granted the tax credit. The tax credit transfer certificate provided to
the taxpayer shall include a statement waiving the taxpayer's right to
claim that amount of the tax credit against the tax imposed pursuant
to N.J.S.54A:1-1 et seq. that the taxpayer has elected to sell or assign.
The sale or assignment of any amount of a tax credit transfer
certificate allowed under this section shall not be exchanged for
consideration received by the taxpayer of less than 75 percent of the
transferred tax credit amount. Any amount of a tax credit transfer
certificate used by a purchaser or assignee against a tax liability under
N.J.S.54A:1-1 et seq. shall be subject to the same limitations and
conditions that apply to the use of a tax credit pursuant to subsections
c. and d. of this section. Any amount of a tax credit transfer
certificate obtained by a purchaser or assignee under subsection e. of
this section may be applied against the purchaser's or assignee's tax
liability under P.L.1945, c.162 (C.54:10A-1 et seq.) and shall be
subject to the same limitations and conditions that apply to the use of
a credit pursuant to subsection c. of section 1 of P.L.2018, c.56
(C.54:10A-5.39b).
f. (1) The value of tax credits, including tax credits allowed
through the granting of tax credit transfer certificates, approved by
the director and the authority pursuant to subsection a. of this section
and pursuant to subsection a. of section 1 of P.L.2018, c.56
(C.54:10A-5.39b) to taxpayers, other than New Jersey film partners
and New Jersey film-lease partners, shall not exceed a cumulative
total of $100,000,000 in fiscal year 2019 and in each fiscal year
thereafter prior to fiscal year 2029 to apply against the tax imposed
et seq., and pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5).
In addition to the $100,000,000 limitation on the value of tax credits
approved by the director for New Jersey film-lease partners and the
$100,000,000 limitation on the value of tax credits approved by the
director for other taxpayers imposed by this paragraph, the value of
tax credits, including tax credits allowed through the granting of tax
credit transfer certificates, approved by the director and the authority
pursuant to subsection a. of this section and pursuant to subsection a.
of section 2 of P.L.2018, c.56 (C.54A:4-12b) to New Jersey film
partners shall not exceed a cumulative total of $100,000,000 in fiscal
year 2021 and in each fiscal year thereafter prior to fiscal year 2029
to apply against the tax imposed pursuant to section 5 of P.L.1945,
c.162 (C.54:10A-5) and the tax imposed pursuant to the "New Jersey
Gross Income Tax Act," N.J.S.54A:1-1 et seq. In addition to the
$100,000,000 limitation on the value of tax credits approved by the
director for New Jersey film partners and the $100,000,000 limitation
on the value of tax credits approved by the director for other taxpayers imposed by this paragraph, the value of tax credits, including tax credits allowed through the granting of tax credit
transfer certificates, approved by the director and the authority pursuant to subsection a. of this section and pursuant to subsection a. of section 1 of P.L.2018, c.56 (C.54A:4-12b) to New Jersey film-lease partners shall not exceed a cumulative total of $100,000,000 in fiscal year 2021 and in each fiscal year thereafter prior to fiscal year 2029 to apply against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) and the tax imposed pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.

If the cumulative total amount of tax credits, and tax credit transfer certificates, allowed to taxpayers for taxable years or privilege periods commencing during a single fiscal year under subsection a. of this section and subsection a. of section 1 of P.L.2018, c.56 (C.54:10A-5.39b) exceeds the amount of tax credits available in that fiscal year, then taxpayers who have first applied for and have not been allowed a tax credit or tax credit transfer certificate amount for that reason shall be allowed, in the order in which they have submitted an application, the amount of tax credit or tax credit transfer certificate on the first day of the next succeeding fiscal year in which tax credits and tax credit transfer certificates under subsection a. of this section and subsection a. of section 1 of P.L.2018, c.56 (C.54:10A-5.39b) are not in excess of the amount of credits available.

Notwithstanding any provision of paragraph (1) of this subsection to the contrary, for any fiscal year in which the amount of tax credits approved pursuant to this paragraph is less than the cumulative total amount of tax credits permitted to be approved in that fiscal year, the authority shall certify the amount of the remaining tax credits available for approval in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the certified amount remaining from the prior fiscal year. The authority shall also certify, for each fiscal year, the amount of tax credits that were previously approved, but that the taxpayer is not able to redeem or transfer to another taxpayer under this section, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the amount of tax credits previously approved, but not subject to redemption or transfer. The combined increase to the cumulative total permitted to be approved in a subsequent fiscal year pursuant to this paragraph shall not exceed $50,000,000.

(2) The value of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, approved by the authority and the director pursuant to subsection b. of this section and pursuant to subsection b. of section 1 of P.L.2018, c.56 (C.54:10A-5.39b) shall not exceed a cumulative total of $10,000,000 in fiscal year 2019 and in each fiscal year thereafter prior to fiscal year 2029.

If the total amount of tax credits and tax credit transfer certificates allowed to taxpayers for taxable years or privilege periods commencing during a single fiscal year under subsection b. of this section and subsection b. of section 1 of P.L.2018, c.56 (C.54:10A-5.39b) exceeds the amount of tax credits available in that year, then taxpayers who have first applied for and have not been allowed a tax credit or tax credit transfer certificate amount for that reason shall be allowed, in the order in which they have submitted an application, the amount of tax credit or tax credit transfer certificate on the first day of the next succeeding fiscal year in which tax credits and tax credit transfer certificates under subsection b. of this section and subsection b. of section 1 of P.L.2018, c.56 (C.54:10A-5.39b) are not in excess of the amount of credits available.

Notwithstanding any provision of this paragraph to the contrary, for any fiscal year in which the amount of tax credits approved pursuant to this paragraph is less than the cumulative total amount of tax credits permitted to be approved in that fiscal year, the authority shall certify the amount of the remaining tax credits available for approval in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the certified amount remaining from the prior fiscal year. The authority shall also certify, for each fiscal year, the amount of tax credits that were previously approved, but that the taxpayer is not able to redeem or transfer to another taxpayer under this section, and shall increase the cumulative total amount of tax credits permitted to be approved in the subsequent fiscal year by the amount of tax credits previously approved, but not subject to redemption or transfer.

g. A taxpayer shall submit to the authority and the director a report prepared by an independent certified public accountant licensed in this State to verify the taxpayer's tax credit claim following the completion of the production. The report shall be prepared by the independent certified public accountant pursuant to agreed upon procedures prescribed by the authority and the director, and shall include such information and documentation as shall be determined to be necessary by the authority and the director to substantiate the qualified film production expenses or the qualified digital media content production expenses of the taxpayer. A single report with attachments deemed necessary by the authority shall be submitted electronically. Upon receipt of the report, the authority and the director shall review the findings of the independent certified public accountant's report, and shall make a determination as to the qualified film production expenses or the qualified digital media content production expenses of the taxpayer. The determination shall be provided in writing to the taxpayer, and a copy of the written
determination shall be included in the filing of a return that includes a claim for a tax credit allowed pursuant to this section.

h. A taxpayer shall withhold from each payment to a loan out company or to an independent contractor an amount equal to 6.37 percent of the payment otherwise due. The amounts withheld shall be deemed to be withholding of liability pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., and the taxpayer shall be deemed to have the rights, duties, and responsibilities of an employer pursuant to chapter 7 of Title 54A of the New Jersey Statutes. The director shall allocate the amounts withheld for a taxable year to the accounts of the individuals who are employees of a loan out company in proportion to the employee's payment by the loan out company in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State during the taxable year. A loan out company that reports its payments to employees in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State during a taxable year shall be relieved of its duties and responsibilities as an employer pursuant to chapter 7 of Title 54A of the New Jersey Statutes for the taxable year for any payments relating to the payments on which the taxpayer withheld.

i. As used in this section:
"Authority" means the New Jersey Economic Development Authority.
"Business assistance or incentive" means "business assistance or incentive" as that term is defined pursuant to section 1 of P.L.2007, c.101 (C.54:50-39).
"Commission" means the Motion Picture and Television Development Commission.
"Digital media content" means any data or information that is produced in digital form, including data or information created in analog form but reformatted in digital form, text, graphics, photographs, animation, sound, and video content. "Digital media content" shall not mean content offerings generated by the end user (including postings on electronic bulletin boards and chat rooms); content offerings comprised primarily of local news, events, weather or local market reports; public service content; electronic commerce platforms (such as retail and wholesale websites); websites or content offerings that contain obscene material as defined pursuant to N.J.S.2C:34-2 and N.J.S.2C:34-3; websites or content that are produced or maintained primarily for private, industrial, corporate, or institutional purposes; or digital media content acquired or licensed by the taxpayer for distribution or incorporation into the taxpayer's digital media content.
"Film" means a feature film, a television series, or a television show of 22 minutes or more in length, intended for a national audience, or a television series or a television show of 22 minutes or
more in length intended for a national or regional audience, including, but not limited to, a game show, award show, or other gala event filmed and produced at a nonprofit arts and cultural venue receiving State funding. "Film" shall not include a production featuring news, current events, weather, and market reports or public programming, talk show, sports event, or reality show, a production that solicits funds, a production containing obscene material as defined under N.J.S.2C:34-2 and N.J.S.2C:34-3, or a production primarily for private, industrial, corporate, or institutional purposes. "Film" shall not include an award show or other gala event that is not filmed and produced at a nonprofit arts and cultural venue receiving State funding.

"Full-time or full-time equivalent employee" means an individual employed by the taxpayer for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time or full-time equivalent employment, whose wages are subject to withholding as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., or who is a partner of a taxpayer, who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time or full-time equivalent employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. "Full-time or full-time equivalent employee" shall not include an individual who works as an independent contractor or on a consulting basis for the taxpayer.

"Highly compensated individual" means an individual who directly or indirectly receives compensation in excess of $500,000 for the performance of services used directly in a production. An individual receives compensation indirectly when the taxpayer pays a loan out company that, in turn, pays the individual for the performance of services.

"Independent contractor" means an individual treated as an independent contractor for federal and State tax purposes who is contracted with by the taxpayer for the performance of services used directly in a production. "Loan out company" means a personal service corporation or other entity that is contracted with by the taxpayer to provide specified individual personnel, such as artists, crew, actors, producers, or directors for the performance of services used directly in a production. "Loan out company" shall not include entities contracted with by the taxpayer to provide goods or ancillary contractor services such as catering, construction, trailers, equipment, or transportation.

“New Jersey film partner” means a film production company that has made a commitment to produce films or commercial audiovisual products in New Jersey and has developed, purchased, or executed a
10-year contract to lease a production facility of 250,000 square feet
or more as a “transformative project” pursuant to section 65 of P.L. 164,
c. 10 (pending before the Legislature as this bill). No more
than five film production companies may be designated as a New
Jersey film partner.

"New Jersey film-lease partner" means a taxpayer, including any
taxpayer that is a member of a combined group under P.L.2018, c.131
(C:54:10A-4.11), that has made a commitment to lease or acquire a
New Jersey production facility with an aggregate square footage of
at least 50,000 square feet, which includes a sound stage and
production support space such as production offices or a backlot, for
a period of five or more successive years and commits to spend, on a
separate-entity basis or in the aggregate with other members of the
taxpayer’s combined group, an annual average of $50,000,000 of
qualified film production expenses over the period of at least five but
not to exceed 10 years. The authority shall be permitted to recapture
any credits awarded to a New Jersey film-lease partner if the New
Jersey film-lease partner, or any member of the New Jersey film-
lease partner’s combined group fails to maintain a New Jersey
production facility during the period prescribed or if the New Jersey
film-lease partner, on a separate-entity basis or in the aggregate with
other members of the New Jersey film-lease partner’s combined
group, fails to spend an annual average of $50,000,000 of qualified
film production expenses over the prescribed period.

"Partnership" means an entity classified as a partnership for
federal income tax purposes.

"Post-production costs" means the costs of the phase of production
of a film that follows principal photography, in which raw footage is
cut and assembled into a finished film with sound synchronization
and visual effects.

"Pre-production costs" means the costs of the phase of production
of a film that precedes principal photography, in which a detailed
schedule and budget for the production is prepared, the script and
location is finalized, and contracts with vendors are negotiated.

"Qualified digital media content production expenses" means an
expense incurred in New Jersey for the production of digital media
content. "Qualified digital media content production expenses" shall
include but not be limited to: wages and salaries of individuals
employed in the production of digital media content on which the tax
et seq. has been paid or is due; and the costs of computer software
and hardware, data processing, visualization technologies, sound
synchronization, editing, and the rental of facilities and equipment.
Payment made to a loan out company or to an independent contractor
shall not be deemed a "qualified digital media content production
expense" unless the payment is made in connection with a trade,
profession, or occupation carried on in this State or for the rendition
of personal services performed in this State and the taxpayer has
made the withholding required pursuant to subsection h. of this section. "Qualified digital media content production expenses" shall not include expenses incurred in marketing, promotion, or advertising digital media or other costs not directly related to the production of digital media content. Costs related to the acquisition or licensing of digital media content by the taxpayer for distribution or incorporation into the taxpayer's digital media content shall not be deemed "qualified digital media content production expenses."

"Qualified film production expenses" means an expense incurred in New Jersey for the production of a film including pre-production costs and post-production costs incurred in New Jersey. "Qualified film production expenses" shall include but not be limited to: wages and salaries of individuals employed in the production of a film on which the tax imposed by the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. has been paid or is due; and the costs for tangible personal property used, and services performed, directly and exclusively in the production of a film, such as expenditures for film production facilities, props, makeup, wardrobe, film processing, camera, sound recording, set construction, lighting, shooting, editing, and meals. Payment made to a loan out company or to an independent contractor shall not be deemed a "qualified film production expense" unless the payment is made in connection with a trade, profession, or occupation carried on in this State or for the rendition of personal services performed in this State and the taxpayer has made the withholding required by subsection h. of this section. "Qualified film production expenses" shall not include: expenses incurred in marketing or advertising a film; and payment in excess of $500,000 to a highly compensated individual for costs for a story, script, or scenario used in the production of a film and wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, except as follows:

(1) for a New Jersey film partner that incurs more than $30,000,000, but less than $100,000,000, in qualified film production expenses in the State, an amount, not to exceed $15,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses;

(2) for a New Jersey film partner that incurs $100,000,000 or more, but less than $150,000,000, in qualified film production expenses in the State, an amount, not to exceed $30,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses; and

(3) for a New Jersey film partner that incurs $150,000,000 or more in qualified film production expenses in the State, an amount, not to
exceed $60,000,000, of the wages or salaries or other compensation for writers, directors, including music directors, producers, and performers, other than background actors with no scripted lines, shall constitute qualified film production expenses.

"Total digital media content production expenses" means costs for services performed and property used or consumed in the production of digital media content.

"Total film production expenses" means costs for services performed and tangible personal property used or consumed in the production of a film.

(cf: P.L.2019, c.506, s.2)

112. Section 1 of P.L.1979, c.303 (C.34:1b-5.1) is amended to read as follows:

1. a. The New Jersey Economic Development Authority shall adopt rules and regulations requiring that not less than the prevailing wage rate be paid to workers employed in the performance of any construction contract, including contracts for millwork fabrication, undertaken in connection with authority financial assistance or any of its projects, those projects which it undertakes pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.), or undertaken to fulfill any condition of receiving authority financial assistance, including the performance of any contract to construct, renovate or otherwise prepare a facility for operations which are necessary for the receipt of authority financial assistance, unless the work performed under the contract is performed on a facility owned by a landlord of the entity receiving the assistance and less than 55% of the facility is leased by the entity at the time of the contract and under any agreement to subsequently lease the facility. The prevailing wage rate shall be the rate determined by the Commissioner of Labor and Workforce Development pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.). For the purposes of this section, "authority financial assistance" means any loan, loan guarantee, grant, incentive, tax exemption or other financial assistance that is approved, funded, authorized, administered or provided by the authority to any entity and is provided before, during or after completion of a project, including but not limited to, all authority financial assistance received by the entity pursuant to the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et al.) that enables the entity to engage in a construction contract, but this section shall not be construed as requiring the payment of the prevailing wage for construction commencing more than two years after an entity has executed with the authority a commitment letter regarding authority financial assistance and the first payment or other provision of the assistance is received.

b. The New Jersey Economic Development Authority shall adopt rules and regulations requiring that not less than the prevailing wage rate be paid to workers employed in the performance of any
contract, for construction, demolition, remediation, removal of hazardous substances, alteration, custom fabrication, repair work, or maintenance work, including painting and decorating, or excavation, grading, pile driving, concrete form, or other types of foundation work in connection with the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill) and the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill). The requirements of this subsection shall apply to any site preparation work performed 24 months prior to and during the incentive eligibility period of any project receiving tax credits under the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill) and the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill), in which there is a continuity of ownership in the site of the redevelopment project, including work undertaken to fulfill any condition of receiving tax credits under the programs. Work that is subject to the requirements of this subsection shall include the performance of any contract for construction, demolition, remediation, removal of hazardous substances, alteration, custom fabrication, repair work, or maintenance work, including painting and decorating, or excavation, grading, pile driving, concrete form, or other types of foundation work undertaken on a facility for operations which are necessary for the receipt of tax credits under the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill) and the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill), unless the work performed under the contract is performed on a facility owned by a landlord of the entity receiving the tax credit and less than 35 percent of the facility is leased by the entity at the time of the contract and under any agreement to subsequently lease the facility. The prevailing wage rate shall be the rate determined by the Commissioner of Labor and Workforce Development pursuant to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.), and all contractors and subcontractors subject to the prevailing wage requirement set forth in this section shall be registered with the Department of Labor and Workforce Development pursuant to the provisions of section 5 of P.L.1999, c.238 (C.34:11-56.52). An applicant for tax credits under the "New Jersey Aspire Program Act," sections 54 through 67 of P.L. , c. (C. ) (pending before the Legislature as this bill) and the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L. , c. (C. ) (pending before the Legislature as this bill), shall certify under penalty of perjury as part of its application that all construction contracts undertaken on any project in connection with an award
under the programs comply with the prevailing wage requirements of this subsection. If at any time the authority determines that the developer made a material misrepresentation regarding compliance with the provisions of this subsection on the developer’s application, the developer shall forfeit 35 percent of the tax credits allowed under the programs, and pay to the affected workers back wages in an amount that compensates the workers at the prevailing wage rate for the work performed.

(cf: P.L.2007, c.245, s.1)

113. Section 1 of P.L.1997, c. 334 (C.34:1B-7.42a) is amended to read as follows:

1. a. The New Jersey Economic Development Authority shall establish within the New Jersey Emerging Technology and Biotechnology Financial Assistance Program established pursuant to P.L.1995, c.137 (C.34:1B-7.37 et seq.), a corporation business tax benefit certificate transfer program to allow new or expanding emerging technology and biotechnology companies in this State with unused amounts of research and development tax credits otherwise allowable which cannot be applied for the credit’s tax year due to the limitations of subsection b. of section 1 of P.L.1993, c.175 (C.54:10A-5.24) and unused net operating loss carryover pursuant to subparagraph (B) of paragraph (6) of subsection (k) of section 4 of P.L.1945, c.162 (C.54:10A-4), to surrender those tax benefits for use by other corporation business taxpayers in this State, provided that the taxpayer receiving the surrendered tax benefits is not affiliated with a corporation that is surrendering its tax benefits under the program established under P.L.1997, c.334. For the purposes of this section, the test of affiliation is whether the same entity directly or indirectly owns or controls 5% or more of the voting rights or 5% or more of the value of all classes of stock of both the taxpayer receiving the benefits and a corporation that is surrendering the benefits. The tax benefits may be used on the corporation business tax returns to be filed by those taxpayers in exchange for private financial assistance to be provided by the corporation business taxpayer that is the recipient of the corporation business tax benefit certificate to assist in the funding of costs incurred by the new or expanding emerging technology and biotechnology company.

b. The authority, in cooperation with the Division of Taxation in the Department of the Treasury, shall review and approve applications by new or expanding emerging technology and biotechnology companies in this State with unused but otherwise allowable carryover of research and development tax credits pursuant to section 1 of P.L.1993, c.175 (C.54:10A-5.24), and unused but otherwise allowable net operating loss carryover pursuant to paragraph (6) of subsection (k) of section 4 of P.L.1945, c.162 (C.54:10A-4), to surrender those tax benefits in exchange for private financial assistance to be made by the corporation business taxpayer.
that is the recipient of the corporation business tax benefit certificate in an amount equal to at least 80% of the amount of the surrendered tax benefit. Provided that the amount of the surrendered tax benefit for a surrendered research and development tax credit carryover is the amount of the credit, and provided that the amount of the surrendered tax benefit for a surrendered net operating loss carryover is the amount of the loss multiplied by the new or expanding emerging technology or biotechnology company’s anticipated allocation factor, as determined pursuant to section 6 of P.L.1945, c.162 (C.54:10A-6) for the tax year in which the benefit is transferred and subsequently multiplied by the corporation business tax rate provided pursuant to subsection (c) of section 5 of P.L.1945, c.162 (C.54:10A-5). The authority shall be authorized to approve the transfer of no more than $60,000,000 of tax benefits in a State fiscal year. If the total amount of transferable tax benefits requested to be surrendered by approved applicants exceeds $60,000,000 $75,000,000 for a State fiscal year, the authority, in cooperation with the Division of Taxation in the Department of the Treasury, shall not be authorized to approve the transfer of more than $60,000,000 $75,000,000 for that State fiscal year and shall allocate the transfer of tax benefits by approved companies using the following method:

(1) an eligible applicant with $250,000 or less of transferable tax benefits shall be authorized to surrender the entire amount of its transferable tax benefits;

(2) an eligible applicant with more than $250,000 of transferable tax benefits shall be authorized to surrender a minimum of $250,000 of its transferable tax benefits;

(3) (Deleted by amendment, P.L.2009, c.90.)

(4) an eligible applicant with more than $250,000 shall also be authorized to surrender additional transferable tax benefits determined by multiplying the applicant’s transferable tax benefits less the minimum transferable tax benefits that company is authorized to surrender under paragraph (2) of this subsection by a fraction, the numerator of which is the total amount of transferable tax benefits that the authority is authorized to approve less the total amount of transferable tax benefits approved under paragraphs (1), (2), and (5) of this subsection and the denominator of which is the total amount of transferable tax benefits requested to be surrendered by all eligible applicants less the total amount of transferable tax benefits approved under paragraphs (1), (2), and (5) of this subsection;

(5) The authority shall establish the boundaries for three innovation zones to be geographically distributed in the northern, central, and southern portions of this State. Of the $60,000,000 $75,000,000 of transferable tax benefits authorized for each State fiscal year, $10,000,000 shall be allocated for the surrender of
transferable tax benefits exclusively by new and expanding emerging
technology and biotechnology companies that operate within the
boundaries of the innovation zones, except that any portion of the
$10,000,000 that is not so approved shall be available for that State
fiscal year for the surrender of transferable tax benefits by new and
expanding emerging technology and biotechnology companies that
do not operate within the boundaries of an innovation zone.

If the total amount of transferable tax benefits that would be
authorized using the above method exceeds $60,000,000 for a State fiscal year, then the authority, in cooperation
with the Division of Taxation in the Department of the Treasury, shall
limit the total amount of tax benefits authorized to be transferred to
$75,000,000 by applying the above method on an
apportioned basis.

For purposes of this section transferable tax benefits include an
eligible applicant’s unused but otherwise allowable carryover of net
operating losses multiplied by the applicant’s anticipated allocation
factor as determined pursuant to section 6 of P.L.1945, c.162
(C.54:10A-6) for the tax year in which the benefit is transferred and
subsequently multiplied by the corporation business tax rate as
provided in subsection (c) of section 5 of P.L.1945, c.162 (C.54:10A-5) plus the total amount of the applicant’s unused but otherwise
allowable carryover of research and development tax credits. An
eligible applicant’s transferable tax benefits shall be limited to net
operating losses and research and development tax credits that the
applicant requests to surrender in its application to the authority and
shall not, in total, exceed the maximum amount of tax benefits that
the applicant is eligible to surrender.

No application for a corporation business tax benefit transfer
certificate shall be approved in which the new or expanding emerging
technology or biotechnology company (1) has demonstrated positive
net operating income in any of the two previous full years of ongoing
operations as determined on its financial statements issued according
to generally accepted accounting standards endorsed by the Financial
Accounting Standards Board; or (2) is directly or indirectly at least
50 percent owned or controlled by another corporation that has
demonstrated positive net operating income in any of the two
previous full years of ongoing operations as determined on its
financial statements issued according to generally accepted
accounting standards endorsed by the Financial Accounting
Standards Board or is part of a consolidated group of affiliated
corporations, as filed for federal income tax purposes, that in the
aggregate has demonstrated positive net operating income in any of
the two previous full years of ongoing operations as determined on
its combined financial statements issued according to generally
accepted accounting standards endorsed by the Financial Accounting
Standards Board.
The maximum lifetime value of surrendered tax benefits that a corporation shall be permitted to surrender pursuant to the program is \([\$15,000,000 \leq \$20,000,000]\). Applications must be received on or before June 30 of each State fiscal year.

The authority, in consultation with the Division of Taxation, shall establish rules for the recapture of all, or a portion of, the amount of a grant of a corporation business tax benefit certificate from the new or emerging technology and biotechnology company having surrendered tax benefits pursuant to this section in the event the taxpayer fails to use the private financial assistance received for the surrender of tax benefits as required by this section or fails to maintain a headquarters or a base of operation in this State during the five years following receipt of the private financial assistance; except if the failure to maintain a headquarters or a base of operation in this State is due to the liquidation of the new or expanding emerging technology and biotechnology company.

c. The authority, in cooperation with the Division of Taxation in the Department of the Treasury, shall review and approve applications by taxpayers under the Corporation Business Tax Act (1945), P.L.1945, c.162 (C.54:10A-1 et seq.), to acquire surrendered tax benefits approved pursuant to subsection b. of this section which shall be issued in the form of corporation business tax benefit transfer certificates, in exchange for private financial assistance to be made by the taxpayer in an amount equal to at least 80% of the amount of the surrendered tax benefit of an emerging technology or biotechnology company in the State. A corporation business tax benefit transfer certificate shall not be issued unless the applicant certifies that as of the date of the exchange of the corporation business tax benefit certificate it is operating as a new or expanding emerging technology or biotechnology company and has no current intention to cease operating as a new or expanding emerging technology or biotechnology company.

The private financial assistance shall assist in funding expenses incurred in connection with the operation of the new or expanding emerging technology or biotechnology company in the State, including but not limited to the expenses of fixed assets, such as the construction and acquisition and development of real estate, materials, start-up, tenant fit-out, working capital, salaries, research and development expenditures and any other expenses determined by the authority to be necessary to carry out the purposes of the New Jersey Emerging Technology and Biotechnology Financial Assistance Program.

The authority shall require a corporation business taxpayer that acquires a corporation business tax benefit certificate to enter into a written agreement with the new or expanding emerging technology or biotechnology company concerning the terms and conditions of the private financial assistance made in exchange for the certificate. The written agreement may contain terms concerning the
maintenance by the new or expanding emerging technology or biotechnology company of a headquarters or a base of operation in this State.

d. (Deleted by amendment, P.L.2009, c.90.)
(cf: P.L.2009, c.90, s.29)

114. Section 1 of P.L.1999, c.140 (C.34:1B-7.42b) is amended to read as follows:

1. As used in P.L.1997, c.334 (C.34:1B-7.42a et al.):

“Authority” means the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

“Biotechnology” means the continually expanding body of fundamental knowledge about the functioning of biological systems from the macro level to the molecular and sub-atomic levels, as well as novel products, services, technologies and sub-technologies developed as a result of insights gained from research advances that add to that body of fundamental knowledge. This definition may be modified by regulation to conform to definitions in other programs administered by the authority.

“Biotechnology company” means an emerging corporation that has its headquarters or base of operations in this State; that owns, has filed for, or has a valid license to use protected, proprietary intellectual property; and that is engaged in the research, development, production, or provision of biotechnology for the purpose of developing or providing products or processes for specific commercial or public purposes, including but not limited to, medical, pharmaceutical, nutritional, and other health-related purposes, agricultural purposes, and environmental purposes. This definition may be modified by regulation to conform to definitions in other programs administered by the authority.

“Full-time employee” means a person employed by a new or expanding emerging technology or biotechnology company for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment and whose wages are subject to withholding as provided in the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq., or who is a partner of a new or expanding emerging technology or biotechnology company who works for the partnership for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose distributive share of income, gain, loss, or deduction, or whose guaranteed payments, or any combination thereof, is subject to the payment of estimated taxes, as provided in the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq. To qualify as a “full-time employee,” an employee shall also receive from the new or expanding emerging technology or biotechnology company health benefits under a group health plan as defined under
section 14 of P.L.1997, c.146 (C.17B:27-54), a health benefits plan
as defined under section 1 of P.L.1992, c.162 (C.17B:27A-17), or a
policy or contract of health insurance covering more than one person
issued pursuant to Article 2 [N.J.S.17B:27-26 et seq.] of chapter 27
of Title 17B of the New Jersey Statutes] a health benefits plan
authorized pursuant to State or federal law. “Full-time employee”
shall not include any person who works as an independent contractor
or on a consulting basis for the new or expanding emerging
technology or biotechnology company.

“New or expanding” means a technology or biotechnology
company that (1) on June 30 of the year in which the company files
an application for surrender of unused but otherwise allowable tax
benefits under P.L.1997, c.334 (C.34:1B-7.42a et al.) and on the date
of the exchange of the corporation business tax benefit certificate,
has fewer than 225 employees in the United States of America; (2)
on June 30 of the year in which the company files such an application,
has at least one full-time employee working in this State if the
company has been incorporated for less than three years, has at least
five full-time employees working in this State if the company has
been incorporated for more than three years but less than five years,
and has at least 10 full-time employees working in this State if the
company has been incorporated for more than five years; and (3) on
the date of the exchange of the corporation business tax benefit
certificate, the company has the requisite number of full-time
employees in New Jersey that were required on June 30 as set forth
in part (2) of this definition.

“Technology company” means an emerging corporation that has
its headquarters or base of operations in this State; that owns, has
filed for, or has a valid license to use protected, proprietary
intellectual property; and that employs some combination of the
following: highly educated or trained managers and workers, or both,
employed in this State who use sophisticated scientific research
service or production equipment, processes or knowledge to
discover, develop, test, transfer or manufacture a product or service.
This definition may be modified by regulation to conform to
definitions in other programs administered by the authority.

115. Section 5 of P.L.1974, c.80 (C.34:1B-5) is amended to read
as follows:

5. The authority shall have the following powers:
a. To adopt bylaws for the regulation of its affairs and the
conduct of its business;
b. To adopt and have a seal and to alter the same at pleasure;
c. To sue and be sued;
d. To acquire in the name of the authority by purchase or
otherwise, on such terms and conditions and such manner as it may
dee...
the manner provided by the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et seq.), any lands or interests therein or other property which it may determine is reasonably necessary for any project; provided, however, that the authority in connection with any project shall not take by exercise of the power of eminent domain any real property except upon consent thereto given by resolution of the governing body of the municipality in which such real property is located; and provided further that the authority shall be limited in its exercise of the power of eminent domain in connection with any project in qualifying municipalities as defined under the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.), or to municipalities which had a population, according to the latest federal decennial census, in excess of 10,000;

e. To enter into contracts with a person upon such terms and conditions as the authority shall determine to be reasonable, including, but not limited to, reimbursement for the planning, designing, financing, construction, reconstruction, improvement, equipping, furnishing, operation and maintenance of the project and to pay or compromise any claims arising therefrom;

f. To establish and maintain reserve and insurance funds with respect to the financing of the project or the school facilities project and any project financed pursuant to the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.);

g. To sell, convey or lease to any person all or any portion of a project for such consideration and upon such terms as the authority may determine to be reasonable;

h. To mortgage, pledge or assign or otherwise encumber all or any portion of a project, or revenues, whenever it shall find such action to be in furtherance of the purposes of the Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.);

i. To grant options to purchase or renew a lease for any of its projects on such terms as the authority may determine to be reasonable;

j. To contract for and to accept any gifts or grants or loans of funds or property or financial or other aid in any form from the United States of America or any agency or instrumentality thereof, or from the State or any agency, instrumentality or political subdivision thereof, or from any other source and to comply, subject to the provisions of P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and P.L.2007, c.137 (C.52:18A-235 et al.), with the terms and conditions thereof;

k. In connection with any action undertaken by the authority in the performance of its duties and any application for assistance or
commitments therefor and modifications thereof, to require and collect such fees and charges as the authority shall determine to be reasonable, including but not limited to fees and charges for the authority’s administrative, organizational, insurance, operating, legal, and other expenses;

m. To acquire, purchase, manage and operate, hold and dispose of real and personal property or interests therein, take assignments of rentals and leases and make and enter into all contracts, leases, agreements and arrangements necessary or incidental to the performance of its duties;

n. To purchase, acquire and take assignments of notes, mortgages and other forms of security and evidences of indebtedness;
q. To extend credit or make loans to any person for the planning, designing, acquiring, constructing, reconstructing, improving, equipping and furnishing of a project or school facilities project, which credits or loans may be secured by loan and security agreements, mortgages, leases and any other instruments, upon such terms and conditions as the authority shall deem reasonable, including provision for the establishment and maintenance of reserve and insurance funds, and to require the inclusion in any mortgage, lease, contract, loan and security agreement or other instrument, of such provisions for the construction, use, operation and maintenance and financing of a project or school facilities project as the authority may deem necessary or desirable;
r. To guarantee up to 90% of the amount of a loan to a person, if the proceeds of the loan are to be applied to the purchase and
installation, in a building devoted to industrial or commercial purposes, or in an office building, of an energy improvement system;

s. To employ consulting engineers, architects, attorneys, real estate counselors, appraisers, and such other consultants and employees as may be required in the judgment of the redevelopment utility to carry out the purposes of P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.), and to fix and pay their compensation from funds available to the redevelopment utility therefor, all without regard to the provisions of Title 11A of the New Jersey Statutes;


u. To procure insurance against any losses in connection with its property, operations or assets in such amounts and from such insurers as it deems desirable;


w. To construct, reconstruct, rehabilitate, improve, alter, equip, maintain or repair or provide for the construction, reconstruction, improvement, alteration, equipping or maintenance or repair of any development property and lot, award and enter into construction contracts, purchase orders and other contracts with respect thereto, upon such terms and conditions as the authority shall determine to be reasonable, including, but not limited to, reimbursement for the planning, designing, financing, construction, reconstruction, improvement, equipping, furnishing, operation and maintenance of any such development property and the settlement of any claims arising therefrom and the establishment and maintenance of reserve funds with respect to the financing of such development property;

x. When authorized by the governing body of a municipality exercising jurisdiction over an urban growth zone, to construct, cause to be constructed or to provide financial assistance to projects in an urban growth zone which shall be exempt from the terms and requirements of the land use ordinances and regulations, including,
but not limited to, the master plan and zoning ordinances, of such
municipality;

y. To enter into business employment incentive agreements as
provided in the "Business Employment Incentive Program Act,"
P.L.1996, c.26 (C.34:1B-124 et al.);

z. To enter into agreements or contracts, execute instruments,
and do and perform all acts or things necessary, convenient or
desirable for the purposes of the redevelopment utility to carry out
any power expressly provided pursuant to P.L.1974, c.80 (C.34:1B-
(C.52:18A-235 et al.), including, but not limited to, entering into
contracts with the State Treasurer, the Commissioner of Education,
districts, the New Jersey Schools Development Authority, and any
other entity which may be required in order to carry out the
(C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009, c.90
(C.52:27D-489c et al.);

aa. (Deleted by amendment, P.L.2007, c.137);

bb. To make and contract to make loans to local units to finance
the cost of school facilities projects and to acquire and contract to
acquire bonds, notes or other obligations issued or to be issued by
local units to evidence the loans, all in accordance with the provisions
(C.52:18A-235 et al.);

cc. Subject to any agreement with holders of its bonds issued to
finance a project or school facilities project, obtain as security or to
provide liquidity for payment of all or any part of the principal of and
interest and premium on the bonds of the authority or for the purchase
upon tender or otherwise of the bonds, lines of credit, letters of credit,
reimbursement agreements, interest rate exchange agreements,
currency exchange agreements, interest rate floors or caps, options,
puts or calls to hedge payment, currency, rate, spread or similar
exposure or similar agreements, float agreements, forward
agreements, insurance contract, surety bond, commitment to
purchase or sell bonds, purchase or sale agreement, or commitments
or other contracts or agreements, and other security agreements or
instruments in any amounts and upon any terms as the authority may
determine and pay any fees and expenses required in connection
therewith;

dd. To charge to and collect from local units, the State and any
other person, any fees and charges in connection with the authority's
actions undertaken with respect to school facilities projects,
including, but not limited to, fees and charges for the authority's
administrative, organization, insurance, operating and other expenses
incident to the financing of school facilities projects;

ee. To make loans to refinance solid waste facility bonds through
the issuance of bonds or other obligations and the execution of any
agreements with counties or public authorities to effect the refunding
or rescheduling of solid waste facility bonds, or otherwise provide
for the payment of all or a portion of any series of solid waste facility
bonds. Any county or public authority refunding or rescheduling its
solid waste facility bonds pursuant to this subsection shall provide
for the payment of not less than fifty percent of the aggregate debt
service for the refunded or rescheduled debt of the particular county
or public authority for the duration of the loan; except that, whenever
the solid waste facility bonds to be refinanced were issued by a public
authority and the county solid waste facility was utilized as a regional
county solid waste facility, as designated in the respective adopted
district solid waste management plans of the participating counties
as approved by the department prior to November 10, 1997, and the
utilization of the facility was established pursuant to tonnage
obligations set forth in their respective interdistrict agreements, the
public authority refunding or rescheduling its solid waste facility
bonds pursuant to this subsection shall provide for the payment of a
percentage of the aggregate debt service for the refunded or
rescheduled debt of the public authority not to exceed the percentage
of the specified tonnage obligation of the host county for the duration
of the loan. Whenever the solid waste facility bonds are the
obligation of a public authority, the relevant county shall execute a
deficiency agreement with the authority, which shall provide that the
county pledges to cover any shortfall and to pay deficiencies in
scheduled repayment obligations of the public authority. All costs
associated with the issuance of bonds pursuant to this subsection may
be paid by the authority from the proceeds of these bonds. Any
county or public authority is hereby authorized to enter into any
agreement with the authority necessary, desirable or convenient to
effectuate the provisions of this subsection.

The authority shall not issue bonds or other obligations to effect
the refunding or rescheduling of solid waste facility bonds after
December 31, 2002. The authority may refund its own bonds issued
for the purposes herein at any time;

ff. To pool loans for any local government units that are refunding
bonds and do and perform any and all acts or things necessary,
convenient or desirable for the purpose of the authority to achieve
more favorable interest rates and terms for those local governmental
units;

gg. To finance projects approved by the board, provide staff
support to the board, oversee and monitor progress on the part of the
board in carrying out the revitalization, economic development and
restoration projects authorized pursuant to the "Municipal
(C.52:27B3B1 et al.) and otherwise fulfilling its responsibilities
pursuant thereto;

hh. To offer financial assistance to qualified film production
companies as provided in the "New Jersey Film Production
Assistance Act," P.L.2003, c.182 (C.34:1B-178 et al.);
ii. To finance or develop private or public parking facilities or structures, which may include the use of solar photovoltaic equipment, in municipalities qualified to receive State aid pursuant to the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.) and municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et al.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center, and to provide appropriate assistance, including but not limited to, extensions of credit, loans, and guarantees, to municipalities qualified to receive State aid pursuant to the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.) and municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center, and their agencies and instrumentalities or to private entities whose projects are located in those municipalities, in order to facilitate the financing and development of parking facilities or structures in such municipalities. The authority may serve as the issuing agent of bonds to finance the undertaking of a project for the purposes of this subsection; [and]

jj. To make grants for the planning, designing, acquiring, constructing, reconstructing, improving, equipping, and furnishing of a project, including, but not limited to, grants for working capital and meeting payroll requirements, upon such terms and conditions as the authority shall deem reasonable, during periods of emergency declared by the Governor and for the duration of economic disruptions due to the emergency;

kk. To purchase and lease real property at a nominal rate when it would result in a net economic benefit to the State, enhance access to employment and investment for underserved populations, or increase investment and employment in high-growth technology sectors; and (cf: P.L.2020, c.8, s.1)

116. Section 4 of P.L.1992, c.16 (C.34:1B-7.13) is amended to read as follows:

4. The authority may use the moneys in the fund to pay principal of, premium, if any, and interest on bonds or notes, which shall be entitled "Economic Recovery Fund Bonds or Notes," as appropriate, the proceeds, or net proceeds, of which shall be deposited into the fund, or used for purposes of the fund, and moneys in the fund, including money received from the sale of bonds shall, in such manner as is determined by the authority, and pursuant to subsections d., e., and f. of this section, be used for the financing of projects as set forth in section 3 of P.L.1974, c.80 (C.34:1B-3) and to establish:

a. an economic growth account for [business] programs and initiatives, which will support and invest in small and medium-size businesses and other entities engaged in economic, community, and workforce development that have the greatest potential for creating
jobs and stimulating economic growth through such elements as
including, but not limited to:

(1) a Statewide lending pool and guarantee pool for small
business, whether directly or through a community development
financial institution;

(2) a business composite bond guarantee;

(3) a fund to further supplement the export finance program of
the authority to provide direct loans and working capital necessary
for New Jersey businesses to compete in the global market, real estate
partnerships;

(4) a Statewide composite bond pool to assist municipalities in
acquiring needed financing for capital expenditures;

(5) [community-based] financial assistance to assist
municipalities in establishing local development corporations;

municipal entities, counties, county entities, regional entities, State
instrumentalities, and not-for-profit local economic and community
development entities to execute programs and initiative to stimulate
community and economic development;

(6) a venture, seed, or angel capital fund for start-up costs for
businesses developing new concepts and inventions;

(7) a fund to assist businesses, either directly or through a not-
for-profit or for-profit entity with expansion or transition to a new
business model in such areas as including, but not limited to,
manufacturing retooling to improve quality, to reduce production
costs and to train employees to apply the latest technology;

(8) a “Main Street Business Assistance Program” to provide
guarantees and loans to small and mid-size businesses and not-for-
profit corporations entities to stimulate the economy;

(9) in consultation with the Department of Labor and Workforce
Development and the Office of the Secretary of Higher Education, a
fund to support and invest in innovative workforce development
approaches and programs, including those that could benefit
individuals directly, either undertaken directly by the authority or
through a governmental, not-for-profit, or for-profit entity, that align
with targeted industries as defined by the authority’s board or support
a high-demand occupation;

(10) a fund to provide grants, financing, or equity to collaborations
between large corporations, small-to-medium sized businesses,
academic institutions, government entities, or not-for-profit entities,
where one of the purposes of the collaboration is to stimulate
community or economic development;

(11) a fund to provide grants, financing, or equity in innovation
centers, research centers, incubators, and accelerators, and other
similar innovation-oriented entities, which are focused on the
targeted industries as defined by the authority’s board or support
increasing diversity and inclusion within the state’s entrepreneurial
economy; the fund may also be used to pay for membership fees, or
A4 PINTOR MARIN, COUGHLIN
181

other similar arrangements, for the authority to join or participate in
such innovation-oriented entities;
(12) a fund to provide grants or competition prizes to fund
initiative-based activities which stimulate growth in targeted
industries as defined by the authority’s board or supports increasing
diversity and inclusion within the state’s entrepreneurial economy;
this fund may also support not-for-profit industry, trade, and labor
organization initiatives; and
(13) a fund to provide grants or competition prizes, either directly
or through a not-for-profit entity, that is consistent with economic
development priorities as defined by the authority’s board, where
funds have been specifically allocated to the economic recovery fund
for this purpose, including but not limited to an appropriation or
transfer from another government entity).

The authority may promulgate rules and regulations for the
effective implementation of the "Main Street Business Assistance
Program." Notwithstanding any provision of the "Administrative
Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary,
the authority may adopt, immediately upon filing with the Office of
Administrative Law, such regulations as are necessary to implement
the provisions of this act, which shall be effective for a period not to
exceed 12 months following enactment, and may thereafter be
amended, adopted, or readopted by the authority in accordance with
the requirements of the "Administrative Procedure Act," P.L.1968,
c.410 (C.52:14B-1 et seq.). [During periods of emergency declared
by the Governor and for the duration of economic disruptions due to
the emergency, the] The authority may use the economic growth
account for the planning, designing, acquiring, constructing,
reconstructing, improving, equipping, and furnishing by small and
medium-size businesses and not-for-profit corporations of a project
as defined in section 3 of P.L.1974, c. 80 (C.34:1B-3), including, but
not limited to, grants for working capital and meeting payroll
requirements, upon such terms and conditions as the authority shall
deem reasonable;
 b. an economic development infrastructure program account,
which shall provide for the financing and development of
infrastructure and transportation projects, including but not limited
to ports, terminal and transit facilities, roads and airports, parking
facilities used in connection with transit facilities, and related
facilities, including public-private partnerships, that are integral to
economic growth;
 c. an account for a cultural, recreational, fine and performing
arts, military and veterans memorial, historic preservation project
and tourism facilities and improvements program, which shall
provide for the financing and development of cultural, recreational,
fine and performing arts, military and veterans memorial, historic
preservation and tourism projects, including partnerships with public,
private and nonprofit entities;
d. an account, into which shall be deposited an amount not less than $45,000,000, out of the total amounts deposited or credited to the fund from the proceeds of the sale of Economic Recovery Fund Bonds or Notes, for the financing of capital facilities for primary and secondary schools in the State for the purpose of the renovation, repair or alteration of existing school buildings, the construction of new school buildings or the conversion of existing school buildings to other instructional purposes.

(1) Of the amount deposited in the account, not less than $25,000,000 shall be deposited in the "Public School Facilities Code Compliance Loan Fund" established pursuant to section 4 of P.L.1993, c.102 (C.34:1B-7.23).

(2) Of the amount deposited in the account, not less than $20,000,000 shall be deposited in the "Public School Facilities Loan Assistance Fund" established pursuant to section 5 of P.L.1993, c.102 (C.34:1B-7.24);

e. an environmental cleanup assistance account, into which shall be deposited an amount not less than $10,000,000, out of the total amounts deposited or credited to the fund from the proceeds of the sale of Economic Recovery Fund Bonds or Notes, to provide financial assistance to the persons and other entities entitled to apply for financial assistance pursuant to P.L.1993, c.139; and

f. an account, into which shall be deposited an amount not less than $15,000,000, out of the total amounts deposited or credited to the fund from the proceeds of the sale of Economic Recovery Fund Bonds or Notes, for the financing of shore restoration, maintenance, monitoring, protection and preservation projects pursuant to the shore protection master plan prepared by the Department of Environmental Protection pursuant to P.L.1978, c.157.

cf: P.L.2020, c.8, s.2)

117. Section 2 of P.L.1997, c.349 (C.54:10A-5.29) is amended to read as follows:


"Advanced computing" means a technology used in the designing and developing of computing hardware and software, including innovations in designing the full spectrum of hardware from handheld calculators to supercomputers, and peripheral equipment.

"Advanced materials" means materials with engineered properties created through the development of specialized processing and synthesis technology, including ceramics, high value-added metals, electronic materials, composites, polymers, and biomaterials.

"Biotechnology" means the continually expanding body of fundamental knowledge about the functioning of biological systems from the macro level to the molecular and sub-atomic levels, as well as novel products, services, technologies, and sub-technologies
developed as a result of insights gained from research advances which add to that body of fundamental knowledge.

“Carbon footprint reduction technology” means a technology using equipment for the commercial, institutional, and industrial sectors that: increases energy efficiency; develops and delivers renewable or non-carbon-emitting energy technologies; develops innovative carbon emissions abatement with significant carbon emissions reduction potential; or promotes measurable electricity end-use energy efficiency.

“Control” with respect to a corporation means ownership, directly or indirectly, of stock possessing 80 percent or more of the total combined voting power of all classes of the stock of the corporation entitled to vote; and “control” with respect to a trust means ownership, directly or indirectly, of 80 percent or more of the beneficial interest in the principal or income of the trust. The ownership of stock in a corporation, of a capital or profits interest in a partnership or association or of a beneficial interest in a trust shall be determined in accordance with the rules for constructive ownership of stock provided in subsection (c) of section 267 of the federal Internal Revenue Code of 1986 (26 U.S.C. § 267), other than paragraph (3) of subsection (c) of that section.

“Controlled group” means one or more chains of corporations connected through stock ownership with a common parent corporation if stock possessing at least 80 percent of the voting power of all classes of stock of each of the corporations is owned directly or indirectly by one or more of the corporations and the common parent owns directly stock possessing at least 80 percent of the voting power of all classes of stock of at least one of the other corporations.

“Director” means the Director of the Division of Taxation in the Department of the Treasury.

“Diverse entrepreneur” means a New Jersey based business that meets the criteria for a minority business or female business set forth in section 2 of P.L.1983, c.482 (C.52:32-19).

“Electronic device technology” means a technology involving microelectronics, semiconductors, electronic equipment and instrumentation, radio frequency, microwave and millimeter electronics, and optical and optic-electrical devices, or data and digital communications and imaging devices.

“Information technology” means software publishing, motion picture and video production, television production and post-production services, telecommunications, data processing, hosting and related services, custom computer programming services, computer system design, computer facilities management services, other computer related services, and computer training.

“Life sciences” means the production of medical equipment, ophthalmic goods, medical or dental instruments, diagnostic substances, biopharmaceutical products, or physical and biological research.
“Medical device technology” means a technology involving any medical equipment or product (other than a pharmaceutical product) that has therapeutic value, diagnostic value, or both, and is regulated by the federal Food and Drug Administration.

“Mobile communications technology” means a technology involving the functionality and reliability of the transmission of voice and multimedia data using a communication infrastructure via a computer or a mobile device, that shall include, but not be limited to, smartphones, electronic books and tablets, digital audio players, motor vehicle electronics, home entertainment systems, and other wireless appliances, without having connected to any physical or fixed link.

“New Jersey based business” means a company with fewer than 225 employees, of whom at least 75 percent are filling a position in New Jersey, that is doing business, employing or owning capital or property, or maintaining an office in this State.

“New Jersey emerging technology business” means a company with fewer than 225 employees, of whom at least 75 percent are filling a position in New Jersey, that is doing business, employing or owning capital or property, or maintaining an office in this State and: has qualified research expenses paid or incurred for research conducted in this State; conducts pilot scale manufacturing in this State; or conducts technology commercialization in this State in the fields of advanced computing, advanced materials, biotechnology, carbon footprint reduction technology, electronic device technology, information technology, life sciences, medical device technology, mobile communications technology, or renewable energy technology.

“New Jersey emerging technology business holding company” means any corporation, association, firm, partnership, trust, or other form of business organization, but not a natural person, which directly or indirectly, owns, has the power or right to control, or has the power to vote, a controlling share of the outstanding voting securities of a corporation or other form of a New Jersey emerging technology business.

“Partnership” means a syndicate, group, pool, joint venture, or other unincorporated organization through or by means of which any business, financial operation, or venture is carried on, and which is not a trust or estate, a corporation, or a sole proprietorship.

“Pilot scale manufacturing” means the design, construction, and testing of preproduction prototypes and models in the fields of advanced computing, advanced materials, biotechnology, carbon footprint reduction technology, electronic device technology, information technology, life sciences, medical device technology, mobile communications technology, and renewable energy technology, other than for commercial sale, excluding sales of prototypes or sales for market testing if the total gross receipts, as calculated in the manner provided in section 6 of P.L.1945, c.162...
“Qualified investment” means the non-refundable transfer of cash to a New Jersey emerging technology business or to a New Jersey emerging technology business holding company by a taxpayer that is not a related person of the New Jersey emerging technology business or the New Jersey emerging technology business holding company, the transfer of which is in connection with either: a transaction between or among the taxpayer and the New Jersey emerging technology business or the New Jersey emerging technology holding company or both in exchange for stock, interests in partnerships or joint ventures, licenses (exclusive or non-exclusive), rights to use technology, marketing rights, warrants, options, or any items similar to those included herein, including, but not limited to, options or rights to acquire any of the items included herein; or a purchase, production, or research agreement between or among the taxpayer and the New Jersey emerging technology business or the New Jersey emerging technology holding company or both. “Qualified investment” also means the non-refundable transfer of cash or irrevocable contractual commitment to transfer cash to a qualified venture fund.

“Qualified research expenses” means qualified research expenses, as defined in section 41 of the federal Internal Revenue Code of 1986 (26 U.S.C. § 41), as in effect on June 30, 1992, in the fields of advanced computing, advanced materials, biotechnology, carbon footprint reduction technology, electronic device technology, information technology, life sciences, medical device technology, mobile communications technology, or renewable energy technology.

“Qualified venture fund” means a venture fund required by contract to invest a minimum of 50 percent of its funds in New Jersey based businesses that the authority, in its sole discretion, based upon the qualified venture fund’s investment history, if any, its private placement memorandum and other relevant information, has determined has the capacity to make the minimum investment.

“Related person” means:

- a corporation, partnership, association or trust controlled by the taxpayer;
- an individual, corporation, partnership, association or trust that is in the control of the taxpayer;
- a corporation, partnership, association or trust controlled by an individual, corporation, partnership, association or trust that is in the control of the taxpayer; or
- a member of the same controlled group as the taxpayer.

“Renewable energy technology” means a technology involving the generation of electricity from solar energy; wind energy; wave or tidal action; geothermal energy; the combustion of gas from the anaerobic digestion of food waste and sewage sludge at a biomass
generating facility; the combustion of methane gas captured from a landfill; and a fuel cell powered by methanol, ethanol, landfill gas, digester gas, biomass gas, or other renewable fuel but not powered by a fossil fuel.

“Tax year” means the fiscal or calendar accounting period of a taxpayer.

“Venture fund” means a partnership, corporation, trust, or limited liability company that invests cash in a business during the early or expansion stages of a business in exchange for an equity stake in the business in, which the investment is made. Venture firm may include a venture capital fund, a family office fund, or a corporate investor fund, provided that a professional manager administers the venture firm.

“Verified transfer of funds” means a non-refundable transfer of funds equal to 100 percent of the taxpayer’s qualified investment in the New Jersey emerging technology business holding company to a New Jersey emerging technology business by the New Jersey emerging technology business holding company that is accompanied by documentation, as required by the New Jersey Economic Development Authority, which provides proof of a cash transaction originating with a taxpayer and concluding with a New Jersey emerging technology business, provided that the transactions from origin to destination occur within the same tax year.

The definitions of “advanced computing,” “advanced materials,” “biotechnology,” carbon footprint reduction technology,” “electronic device technology,” “information technology,” “life sciences,” “medical device technology,” mobile communications technology,” “New Jersey emerging technology business,” “pilot scale manufacturing,” and “renewable energy technology” may be modified by regulation to conform to definitions in other programs administered by the authority. (cf: P.L.2017, c.40, s.1)

118. Section 3 of P.L.1997, c.349 (C.54:10A-5.30) is amended to read as follows:

3. a. (1) A taxpayer, upon approval of the taxpayer’s application therefor by the New Jersey Economic Development Authority and in consultation with the director, shall be allowed a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), in an amount equal to 20 percent of the qualified investment made by the taxpayer in a New Jersey emerging technology business, [or] in a New Jersey emerging technology business holding company that makes a verified transfer of funds to a New Jersey emerging technology business, or in a qualified venture fund; provided, however, a taxpayer may be allowed a tax credit in an amount equal to 25 percent of the qualified investment if the taxpayer satisfies one of the requirements set forth in paragraph (2) of this subsection. The value of tax credits allowed to a taxpayer
pursuant to this section shall not exceed $500,000 for the privilege period for each qualified investment made by the taxpayer.

(2) Subject to the limits established in paragraph (1) of this subsection, the New Jersey Economic Development Authority, in consultation with the director, shall increase the amount of a tax credit allowed pursuant to this section by five percent if the taxpayer makes a qualified investment in a New Jersey emerging technology business, or in a New Jersey emerging technology business holding company that makes a verified transfer of funds to a New Jersey emerging technology business, or in a qualified venture fund, if the New Jersey emerging technology business is:

(a) either located in a qualified opportunity zone pursuant to 26 U.S.C. § 1400Z-1, or a low-income community as defined in subparagraph (e) of 26 U.S.C. § 45D or

(b) certified by the State as a minority business or a women’s business pursuant to P.L.1986, c.195 (C.52:27H-21.17 et seq.) and, in the case of a qualified venture fund, if the qualified venture fund commits by contract to invest 50 percent of its funds in diverse entrepreneurs.

b. A credit shall not be allowed pursuant to section 1 of P.L.1993, c.175 (C.54:10A-5.24), for expenses paid from funds for which a credit is allowed, or which are includable in the calculation of a credit allowed, under this section.

Notwithstanding any other provision of law, the order of priority in which the credit allowed by this section and any other credits allowed by law may be taken shall be as prescribed by the director.

c. Except as provided in subsection d. of this section, the amount of credit otherwise allowable under this section which cannot be applied for the privilege period against tax liability otherwise due for that privilege period may either be carried over, if necessary, to the 15 privilege periods following the privilege period for which the credit was allowed or, at the election of the taxpayer, be claimed as and treated as an overpayment for the purposes of R.S.54:49-15, provided, however, that section 7 of P.L.1992, c.175 (C.54:49-15.1) shall not apply.

d. A taxpayer may not carry over any amount of credit allowed under subsection a. of this section to a privilege period during which a corporate acquisition with respect to which the taxpayer was a target corporation occurred or during which the taxpayer was a party to a merger or a consolidation, or to any subsequent privilege period, if the credit was allowed for a privilege period prior to the year of acquisition, merger or consolidation, except that if in the case of a corporate merger or corporate consolidation the taxpayer can demonstrate, through the submission of a copy of the plan of merger or consolidation and such other evidence as may be required by the director, the identity of the constituent corporation which was the acquiring person, a credit allowed to the acquiring person may be
carried over by the taxpayer. As used in this subsection, “acquiring 
person” means the constituent corporation the stockholders of which 
own the largest proportion of the total voting power in the surviving 
or consolidated corporation after the merger or consolidation.
e. The Executive Director of the New Jersey Economic 
Development Authority, in consultation with the director, shall 
adopt, pursuant to the “Administrative Procedure Act,” P.L.1968, 
c.410 (C.52:14B-1 et seq.), rules and regulations that are necessary 
to implement sections 1 through 3 of P.L.1997, c.349 (C.54:10A-5.28 
through C.54:10A-5.30) and section 4 of P.L.2013, c.14 (C.54A:4- 
13), including, but not limited to: examples of and the determination 
of qualified investments of which applicants shall provide 
documentation with their tax credit application; the promulgation of 
procedures and forms necessary to apply for a credit; provisions for 
recapture in the event a taxpayer receives a credit on the basis of its 
commitment to transfer cash to a qualified venture fund and it does 
not fund its commitment; and provisions for credit applicants to be 
charged an initial application fee and ongoing service fees to cover 
the administrative costs related to the credit.
   The amount of credits approved by the Executive Director of the 
New Jersey Economic Development Authority, and in consultation 
with the director, pursuant to subsection a. of this section and 
pursuant to section 4 of P.L.2013, c.14 (C.54A:4-13), shall not 
exceed a cumulative total of $25,000,000 in any 
calendar year to apply against the tax imposed pursuant to section 5 
of P.L.1945, c.162 (C.54:10A-5) and the tax imposed pursuant to the 
“New Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq. If the 
cumulative amount of credits allowed to taxpayers in a calendar year 
exceeds the amount of credits available in that year, then taxpayers 
who have first applied for and have not been allowed a credit amount 
for that reason shall be allowed, in the order in which they have 
submitted an application, the amount of the tax credit on the first day 
of the next succeeding calendar year in which tax credits under this 
section and section 4 of P.L.2013, c.14 (C.54A:4-13) are not in 
excess of the amount of credits available.
(cf: P.L.2017, c.40, s.2)

119. Section 4 of P.L.2013, c.14 (C.54A:4-13) is amended to read 
as follows:
   4. a. (1) A taxpayer, upon approval of the taxpayer’s application 
thereby by the New Jersey Economic Development Authority, and 
in consultation with the director, shall be allowed a credit against the 
tax otherwise due for the taxable year under the "New Jersey Gross 
percent of the qualified investment made by the taxpayer in a New 
Jersey emerging technology business, or in a New Jersey emerging 
technology business holding company that makes a verified transfer 
of funds to a New Jersey emerging technology business.
qualified venture fund: provided, however, a taxpayer may be
allowed a tax credit in an amount equal to 25 percent of the qualified
investment if the taxpayer satisfies one of the requirements set forth
in paragraph (2) of this subsection. The value of tax credits allowed
to a taxpayer pursuant to this section shall not exceed $500,000 for
the taxable year for each qualified investment made by the taxpayer.
(2) Subject to the limits established in paragraph (1) of this
subsection, the New Jersey Economic Development Authority, in
consultation with the director, shall increase the amount of a tax
credit allowed pursuant to this section by five percent if the taxpayer
makes a qualified investment in a New Jersey emerging technology
business, or in a New Jersey emerging technology business
holding company that makes a verified transfer of funds to a New
Jersey emerging technology business, or in a qualified venture fund,
if the New Jersey emerging technology business is:
(a) ] either located in a qualified opportunity zone pursuant to 26
U.S.C. § 1400Z-1, or a low-income community as defined in
subparagraph (e) of 26 U.S.C. § 45D | or
[b] certified by the State as a minority business or a women’s
business pursuant to P.L.1986, c.195 (C.52:27H-21.17 et seq.) and,
in the case of a qualified venture fund, if the qualified venture fund
commits by contract to invest 50 percent of its funds in diverse
entrepreneurs.
b. The amount of the credit allowed pursuant to this section shall
be applied against the tax otherwise due under the "New Jersey Gross
Income Tax Act," N.J.S.54A:1-1 et seq., after all other credits and
payments. If the credit exceeds the amount of tax liability otherwise
due, that amount of excess shall be an overpayment for the purposes
of N.J.S.54A:9-7, provided, however, that subsection (f) of
N.J.S.54A:9-7 shall not apply.
c. (1) A partnership shall not be allowed a credit under this
section directly, but the amount of credit of a taxpayer in respect of
a distributive share of partnership income under the "New Jersey
by allocating to the taxpayer that proportion of the credit acquired by
the partnership that is equal to the taxpayer's share, whether or not
distributed, of the total distributive income or gain of the partnership
for its taxable year ending within or with the taxpayer's taxable year.
For the purposes of subsection b. of this section, the amount of tax
liability that would be otherwise due of a taxpayer is that proportion
of the total liability of the taxpayer that the taxpayer's share of the
partnership income or gain included in gross income bears to the total
gross income of the taxpayer.
(2) The credit for a corporation that has made a valid election as
a New Jersey S corporation pursuant to section 3 of P.L.1993, c.173
(C.54:10A-5.22) may be applied by the shareholders of the S
corporation against the tax liability otherwise due under the "New
Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., provided that
the amount of credit that may be used by a shareholder of the S
corporation shall be determined by allocating to each shareholder of
the S corporation that proportion of the tax credit of the S corporation
that is equal to the shareholder's proportionate share of the S
corporation, whether or not distributed, of the total distributive
income or gain of the S corporation for its tax period ending with or
within the shareholder's tax period, and the credit may be applied by
the shareholders against the tax liability otherwise due pursuant to

d. The Executive Director of the New Jersey Economic
Development Authority, in consultation with the director, shall
adopt, pursuant to the "Administrative Procedure Act," P.L.1968,
c.410 (C.52:14B-1 et seq.), rules and regulations that are necessary
to implement sections 1 through 3 of P.L.1997, c.349 (C.54:10A-5.28
through C.54:10A-5.30) and this section, including, but not limited
to: examples of and the determination of qualified investments of
which applicants shall provide documentation with their tax credit
application; the promulgation of procedures and forms necessary to
apply for a credit; provisions for recapture in the event a taxpayer
receives a credit on the basis of its commitment to transfer cash to a
qualified venture fund and it does not fund its commitment; and
provisions for credit applicants to be charged an initial application
fee and ongoing service fees to cover the administrative costs related
to the credit.

The amount of credits approved by the Executive Director of the
New Jersey Economic Development Authority and the Director of
the Division of Taxation in the Department of the Treasury, pursuant
to subsection a. of this section and pursuant to section 3 of P.L.1997,
c.349 (C.54:10A-5.30), shall not exceed a cumulative total of
[$25,000,000] $35,000,000 in any calendar year to apply against the
tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5),
and the tax imposed pursuant to the "New Jersey Gross Income Tax
Act," N.J.S.54A:1-1 et seq. If the cumulative amount of credits
allowed to taxpayers in a calendar year exceeds the amount of credits
available in that year, then taxpayers who have first applied for and
have not been allowed a credit amount for that reason shall be
allowed, in the order in which they have submitted an application,
the amount of the tax credit on the first day of the next succeeding
calendar year in which tax credits under this section and section 3 of
P.L.1997, c.349 (C.54:10A-5.30) are not in excess of the amount of
credits available.

e. As used in this section:
"Advanced computing" means a technology used in the designing
and developing of computing hardware and software, including
innovations in designing the full spectrum of hardware from hand-
held calculators to super computers, and peripheral equipment.
"Advanced materials" means materials with engineered properties created through the development of specialized processing and synthesis technology, including ceramics, high value-added metals, electronic materials, composites, polymers, and biomaterials.

"Biotechnology" means the continually expanding body of fundamental knowledge about the functioning of biological systems from the macro level to the molecular and sub-atomic levels, as well as novel products, services, technologies, and sub-technologies developed as a result of insights gained from research advances which add to that body of fundamental knowledge.

"Carbon footprint reduction technology" means a technology using equipment for the commercial, institutional, and industrial sectors that: increases energy efficiency; develops and delivers renewable or non-carbon-emitting energy technologies; develops innovative carbon emissions abatement with significant carbon emissions reduction potential; or promotes measurable electricity end-use energy efficiency.

"Control" with respect to a corporation, means ownership, directly or indirectly, of stock possessing 80 percent or more of the total combined voting power of all classes of the stock of the corporation entitled to vote; and "control," with respect to a trust, means ownership, directly or indirectly, of 80 percent or more of the beneficial interest in the principal or income of the trust. The ownership of stock in a corporation, of a capital or profits interest in a partnership or association or of a beneficial interest in a trust shall be determined in accordance with the rules for constructive ownership of stock provided in subsection (c) of section 267 of the federal Internal Revenue Code of 1986 (26 U.S.C. §267), other than paragraph (3) of subsection (c) of that section.

"Controlled group" means one or more chains of corporations connected through stock ownership with a common parent corporation if stock possessing at least 80 percent of the voting power of all classes of stock of each of the corporations is owned directly or indirectly by one or more of the corporations and the common parent owns directly stock possessing at least 80 percent of the voting power of all classes of stock of at least one of the other corporations.

"Director" means the Director of the Division of Taxation in the Department of the Treasury.

"Diverse entrepreneur" means a New Jersey based business that meets the criteria for a minority business or female business set forth in section 2 of P.L.1983, c.482 (C.52:32-19).

"Electronic device technology" means a technology involving microelectronics, semiconductors, electronic equipment and instrumentation, radio frequency, microwave and millimeter electronics, and optical and optic-electrical devices, or data and digital communications and imaging devices.

"Information technology" means software publishing, motion picture and video production, television production and post-
production services, telecommunications, data processing, hosting
and related services, custom computer programming services,
computer system design, computer facilities management services,
other computer related services, and computer training.

"Life sciences" means the production of medical equipment,
ophthalmic goods, medical or dental instruments, diagnostic
substances, biopharmaceutical products, or physical and biological
research.

"Medical device technology" means a technology involving any
medical equipment or product (other than a pharmaceutical product)
that has therapeutic value, diagnostic value, or both, and is regulated
by the federal Food and Drug Administration.

"Mobile communications technology" means a technology
involving the functionality and reliability of the transmission of voice
and multimedia data using a communication infrastructure via a
computer or a mobile device, that shall include, but not be limited to,
smartphones, electronic books and tablets, digital audio players,
motor vehicle electronics, home entertainment systems, and other
wireless appliances, without having connected to any physical or
fixed link.

“New Jersey based business” means a company with fewer than
225 employees, of whom at least 75 percent are filling a position in
New Jersey, that is doing business, employing or owning capital or
property, or maintaining an office in this State.

"New Jersey emerging technology business" means a company
with fewer than 225 employees, of whom at least 75 percent are
filling a position in New Jersey, that is doing business, employing or
owning capital or property, or maintaining an office in this State and:
has qualified research expenses paid or incurred for research
conducted in this State; conducts pilot scale manufacturing in this
State; or conducts technology commercialization in this State in the
fields of advanced computing, advanced materials, biotechnology,
carbon footprint reduction technology, electronic device technology,
information technology, life sciences, medical device technology,
mobile communications technology, or renewable energy
technology.

"New Jersey emerging technology business holding company"
means any corporation, association, firm, partnership, trust or other
form of business organization, but not a natural person, which
directly or indirectly, owns, has the power or right to control, or has
the power to vote, a controlling share of the outstanding voting
securities of a corporation or other form of a New Jersey emerging
technology business.

"Partnership" means a syndicate, group, pool, joint venture, or
other unincorporated organization through or by means of which any
business, financial operation, or venture is carried on, and which is
not a trust or estate, a corporation, or a sole proprietorship.
"Pilot scale manufacturing" means design, construction, and testing of preproduction prototypes and models in the fields of advanced computing, advanced materials, biotechnology, carbon footprint reduction technology, electronic device technology, information technology, life sciences, medical device technology, mobile communications technology, or renewable energy technology, other than for commercial sale, excluding sales of prototypes or sales for market testing if the total gross receipts, as calculated in the manner provided in section 6 of P.L.1945, c.162 (C.54:10A-6), from the sales of the product, service, or process do not exceed $1,000,000.

"Qualified investment" means the non-refundable transfer of cash to a New Jersey emerging technology business or to a New Jersey emerging technology business holding company by a taxpayer that is not a related person of the New Jersey emerging technology business or the New Jersey emerging technology business holding company, the transfer of which is in connection with either: a transaction between or among the taxpayer and the New Jersey emerging technology business or the New Jersey emerging technology holding company or both in exchange for stock, interests in partnerships or joint ventures, licenses (exclusive or non-exclusive), rights to use technology, marketing rights, warrants, options, or any items similar to those included herein, including, but not limited to, options or rights to acquire any of the items included herein; or a purchase, production, or research agreement between or among the taxpayer and the New Jersey emerging technology business or the New Jersey emerging technology holding company or both. “Qualified investment” also means the non-refundable transfer of cash or irrevocable contractual commitment to transfer cash to a qualified venture fund.

"Qualified research expenses” means qualified research expenses, as defined in section 41 of the federal Internal Revenue Code of 1986 (26 U.S.C. s.41), as in effect on June 30, 1992, in the fields of advanced computing, advanced materials, biotechnology, electronic device technology, information technology, life sciences, medical device technology, mobile communications technology, or renewable energy technology.

“Qualified venture fund” means a venture fund required by contract to invest a minimum of 50 percent of its funds in New Jersey based businesses that the authority, in its sole discretion, based upon the qualified venture fund’s investment history, if any, its private placement memorandum and other relevant information, has determined has the capacity to make the minimum investment.

"Related person” means:

- a corporation, partnership, association or trust controlled by the taxpayer;
- an individual, corporation, partnership, association or trust that is in the control of the taxpayer;
A corporation, partnership, association or trust controlled by an individual, corporation, partnership, association or trust that is in the control of the taxpayer; or

a member of the same controlled group as the taxpayer.

"Renewable energy technology" means a technology involving the generation of electricity from solar energy; wind energy; wave or tidal action; geothermal energy; the combustion of gas from the anaerobic digestion of food waste and sewage sludge at a biomass generating facility; the combustion of methane gas captured from a landfill; and a fuel cell powered by methanol, ethanol, landfill gas, digester gas, biomass gas, or other renewable fuel but not powered by a fossil fuel.

“Venture fund” means a partnership, corporation, trust, or limited liability company that invests cash in a business during the early or expansion stages of a business in exchange for an equity stake in the business in,” which the investment is made. Venture firm may include a venture capital fund, a family office fund, or a corporate investor fund, provided that a professional manager administers the venture firm.

"Verified transfer of funds" means a non-refundable transfer of funds equal to 100 percent of the taxpayer's qualified investment in the New Jersey emerging technology business held by a New Jersey emerging technology business by the New Jersey emerging technology business holding company that is accompanied by documentation, as required by the New Jersey Economic Development Authority, which provides proof of a cash transaction originating with a taxpayer and concluding with a New Jersey emerging technology business, provided that the transactions from origin to destination occur within the same taxable year.

The definitions of “advanced computing,” “advanced materials,” “biotechnology,” carbon footprint reduction technology, “electronic device technology,” “information technology,” "life sciences,” "medical device technology," mobile communications technology,” "New Jersey emerging technology business,” “pilot scale manufacturing,” and “renewable energy technology” may be modified by regulation to conform to definitions in other programs administered by the authority.

(cf: P.L.2019, c.145, s.3)

120. Section 2 of P.L.2011, c.149 (C.34:1B-243) is amended to read as follows:

2. As used in P.L.2011, c.149 (C.34:1B-242 et seq.):

"Affiliate" means an entity that directly or indirectly controls, is under common control with, or is controlled by the business. Control exists in all cases in which the entity is a member of a controlled group of corporations as defined pursuant to section 1563 of the Internal Revenue Code of 1986 (26 U.S.C. s.1563) or the entity is an organization in a group of organizations under common control as
defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C. s.414). A taxpayer may establish by clear and convincing evidence, as determined by the Director of the Division of Taxation in the Department of the Treasury, that control exists in situations involving lesser percentages of ownership than required by those statutes. An affiliate of a business may contribute to meeting either the qualified investment or full-time employee requirements of a business that applies for a credit under section 3 of P.L.2007, c.346 (C.34:1B-209).

"Authority" means the New Jersey Economic Development Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

"Aviation district" means all areas within the boundaries of the "Atlantic City International Airport," established pursuant to section 24 of P.L.1991, c.252 (C.27:25A-24), and the Federal Aviation Administration William J. Hughes Technical Center and the area within a one-mile radius of the outermost boundary of the "Atlantic City International Airport" and the Federal Aviation Administration William J. Hughes Technical Center.

"Business" means an applicant proposing to own or lease premises in a qualified business facility that is:

a corporation that is subject to the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5);
a corporation that is subject to the tax imposed pursuant to sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15) or N.J.S.17B:23-5;
a partnership;
an S corporation;
a limited liability company; or
a non-profit corporation.

If the business or tenant is a cooperative or part of a cooperative, then the cooperative may qualify for credits by counting the full-time employees and capital investments of its member organizations, and the cooperative may distribute credits to its member organizations. If the business or tenant is a cooperative that leases to its member organizations, the lease shall be treated as a lease to an affiliate or affiliates.

A business shall include an affiliate of the business if that business applies for a credit based upon any capital investment made by or full-time employees of an affiliate.

"Capital investment" in a qualified business facility means expenses by a business or any affiliate of the business incurred after application for:

a. site preparation and construction, repair, renovation, improvement, equipping, or furnishing on real property or of a building, structure, facility, or improvement to real property;
b. obtaining and installing furnishings and machinery, apparatus, or equipment, including but not limited to material goods subject to bonus depreciation under sections 168 and 179 of the
federal Internal Revenue Code (26 U.S.C. s.168 and s.179), for the
operation of a business on real property or in a building, structure,
facility, or improvement to real property;

c. receiving Highlands Development Credits under the
Highlands Transfer Development Rights Program authorized
pursuant to section 13 of P.L.2004, c.120 (C.13:20-13); or

d. any of the foregoing.

In addition to the foregoing, in a Garden State Growth Zone, the
following qualify as a capital investment: any development,
redevelopment, and relocation costs, including, but not limited to,
site acquisition if made within 24 months of application to the
authority, engineering, legal, accounting, and other professional
services required; and relocation, environmental remediation, and
infrastructure improvements for the project area, including, but not
limited to, on- and off-site utility, road, pier, wharf, bulkhead, or
sidewalk construction or repair.

In addition to the foregoing, if a business acquires or leases a
qualified business facility, the capital investment made or acquired
by the seller or owner, as the case may be, if pertaining primarily to
the premises of the qualified business facility, shall be considered a
capital investment by the business and, if pertaining generally to the
qualified business facility being acquired or leased, shall be allocated
to the premises of the qualified business facility on the basis of the
gross leasable area of the premises in relation to the total gross
leasable area in the qualified business facility. The capital
investment described herein may include any capital investment
made or acquired within 24 months prior to the date of application so
long as the amount of capital investment made or acquired by the
business, any affiliate of the business, or any owner after the date of
application equals at least 50 percent of the amount of capital
investment, allocated to the premises of the qualified business facility
being acquired or leased on the basis of the gross leasable area of the
premises in relation to the total gross leasable area in the qualified
business facility made or acquired prior to the date of application.

"College or university" means a county college, an independent
institution of higher education, a public research university, or a State
college.

"Commitment period" means the period of time that is 1.5 times
the eligibility period.

"County college" means an educational institution established by
one or more counties, pursuant to chapter 64A of Title 18A of the
New Jersey Statutes.

"Deep poverty pocket" means a population census tract having a
poverty level of 20 percent or more, and which is located within the
qualified incentive area and has been determined by the authority to
be an area appropriate for development and in need of economic
development incentive assistance.
"Disaster recovery project" means a project located on property that has been wholly or substantially damaged or destroyed as a result of a federally-declared disaster which, after utilizing all disaster funds available from federal, State, county, and local funding sources, demonstrates to the satisfaction of the authority that access to additional funding authorized pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), is necessary to complete the redevelopment project, and which is located within the qualified incentive area and has been determined by the authority to be in an area appropriate for development and in need of economic development incentive assistance.

"Distressed municipality" means a municipality that is qualified to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a municipality under the supervision of the Local Finance Board pursuant to the provisions of the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality identified by the Director of the Division of Local Government Services in the Department of Community Affairs to be facing serious fiscal distress, a SDA municipality, or a municipality in which a major rail station is located.

"Doctoral university" means a university located within New Jersey that is classified as a doctoral university under the Carnegie Classification of Institutions of Higher Education's Basic Classification methodology on the effective date of P.L.2017, c.221.

"Eligibility period" means the period in which a business may claim a tax credit under the Grow New Jersey Assistance Program, beginning with the tax period in which the authority accepts certification of the business that it has met the capital investment and employment requirements of the Grow New Jersey Assistance Program and extending thereafter for a term of not more than 10 years, with the term to be determined solely at the discretion of the applicant.

"Eligible position" or "full-time job" means a full-time position in a business in this State which the business has filled with a full-time employee.

"Full-time employee" means a person:

a. who is employed by a business for consideration for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment; or

b. who is employed by a professional employer organization pursuant to an employee leasing agreement between the business and the professional employer organization, in accordance with P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or who renders any other standard of service generally accepted by custom or practice as full-time employment, and whose wages are
subject to withholding as provided in the "New Jersey Gross Income
Tax Act," N.J.S.54A:1-1 et seq.; or

  c. who is a resident of another State but whose income is not
seq. or who is a partner of a business who works for the partnership
for at least 35 hours a week, or who renders any other standard of
service generally accepted by custom or practice as full-time
employment, and whose distributive share of income, gain, loss, or
deduction, or whose guaranteed payments, or any combination
thereof, is subject to the payment of estimated taxes, as provided in
the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.; and

  d. who, except for purposes of the Statewide workforce, is
provided, by the business, with employee health benefits under a
health benefits plan authorized pursuant to State or federal law.

With respect to a logistics, manufacturing, energy, defense,
aviation, or maritime business, excluding primarily warehouse or
distribution operations, located in a port district having a container
terminal:

  the requirement that employee health benefits are to be provided
shall be deemed to be satisfied if the benefits are provided in
accordance with industry practice by a third party obligated to
provide such benefits pursuant to a collective bargaining agreement;

  full-time employment shall include, but not be limited to,
employees that have been hired by way of a labor union hiring hall
or its equivalent;

  35 hours of employment per week at a qualified business facility
shall constitute one "full-time employee," regardless of whether or
not the hours of work were performed by one or more persons.

For any project located in a Garden State Growth Zone which
qualifies under the "Municipal Rehabilitation and Economic
Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or any project
located in the Atlantic City Tourism District as established pursuant
to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the
Casino Reinvestment Development Authority, and which will
include a retail facility of at least 150,000 square feet, of which at
least 50 percent will be occupied by either a full-service supermarket
or grocery store, 30 hours of employment per week at a qualified
business facility shall constitute one "full-time employee," regardless
of whether the hours of work were performed by one or more persons,
and the requirement that employee health benefits are to be provided
shall be deemed to be satisfied if the employees of the business are
covered by a collective bargaining agreement.

"Full-time employee" shall not include any person who works as
an independent contractor or on a consulting basis for the business.

Full-time employee shall also not include any person who at the
time of project application works in New Jersey for consideration for
at least 35 hours per week, or who renders any other standard of
service generally accepted by custom or practice as full-time
employment but who prior to project application was not provided, by the business, with employee health benefits under a health benefits plan authorized pursuant to State or federal law.

"Garden State Create Zone" means the campus of a doctoral university, and the area within a three-mile radius of the outermost boundary of the campus of a doctoral university, according to a map appearing in the doctoral university's official catalog or other official publication on the effective date of P.L.2017, c.221.

"Garden State Growth Zone" or "growth zone" means the four New Jersey cities with the lowest median family income based on the 2009 American Community Survey from the US Census, (Table 708. Household, Family, and Per Capita Income and Individuals, and Families Below Poverty Level by City: 2009); a municipality which contains a Tourism District as established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the Casino Reinvestment Development Authority; or an aviation district.

"Highlands development credit receiving area or redevelopment area" means an area located within a qualified incentive area and designated by the Highlands Water Protection and Planning Council for the receipt of Highlands Development Credits under the Highlands Transfer Development Rights Program authorized pursuant to section 13 of P.L.2004, c.120 (C.13:20-13).

"Incentive agreement" means the contract between the business and the authority, which sets forth the terms and conditions under which the business shall be eligible to receive the incentives authorized pursuant to the program.

"Incentive effective date" means the date [the authority issues a tax credit based on] a business submits the documentation [submitted by a business] required pursuant to paragraph (1) of subsection b. of section 6 of P.L.2011, c.149 (C.34:1B-247) in a form satisfactory to the authority.

"Independent institution of higher education" means a college or university incorporated and located in New Jersey, which by virtue of law or character or license is a nonprofit educational institution authorized to grant academic degrees and which provides a level of education which is equivalent to the education provided by the State's public institutions of higher education, as attested by the receipt of and continuation of regional accreditation by the Middle States Association of Colleges and Schools, and which is eligible to receive State aid under the provisions of the Constitution of the United States and the Constitution of the State of New Jersey, but does not include any educational institution dedicated primarily to the education or training of ministers, priests, rabbis or other professional persons in the field of religion.

"Major rail station" means a railroad station located within a qualified incentive area which provides access to the public to a minimum of six rail passenger service lines operated by the New Jersey Transit Corporation.
"Mega project" means:

a. a qualified business facility located in a port district housing a business in the logistics, manufacturing, energy, defense, or maritime industries, either:

(1) having a capital investment in excess of $20,000,000, and at which more than 250 full-time employees of the business are created or retained; or

(2) at which more than 1,000 full-time employees of the business are created or retained;

b. a qualified business facility located in an aviation district housing a business in the aviation industry, in a Garden State Growth Zone, or in a priority area housing the United States headquarters and related facilities of an automobile manufacturer, either:

(1) having a capital investment in excess of $20,000,000, and at which more than 250 full-time employees of the business are created or retained, or

(2) at which more than 1,000 full-time employees of the business are created or retained;

c. a qualified business facility located in an urban transit hub housing a business of any kind, having a capital investment in excess of $50,000,000, and at which more than 250 full-time employees of the business are created or retained;

d. a project located in an area designated in need of redevelopment, pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.) prior to the enactment of P.L.2014, c.63 (C.34:1B-251 et al.) within Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, or Salem counties having a capital investment in excess of $20,000,000, and at which more than 150 full-time employees of the business are created or retained; or

e. a qualified business facility primarily used by a business principally engaged in research, development, or manufacture of a drug or device, as defined in R.S.24:1-1, or primarily used by a business licensed to conduct a clinical laboratory and business facility pursuant to the "New Jersey Clinical Laboratory Improvement Act," P.L.1975, c.166 (C.45:9-42.26 et seq.), either:

(1) having a capital investment in excess of $20,000,000, and at which more than 250 full-time employees of the business are created or retained, or

(2) at which more than 1,000 full-time employees of the business are created or retained.

"Minimum environmental and sustainability standards" means standards established by the authority in accordance with the green building manual prepared by the Commissioner of Community Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction.
"Moderate-income housing" means housing affordable, according to United States Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income equal to more than 50 percent but less than 80 percent of the median gross household income for households of the same size within the housing region in which the housing is located.

"Municipal Revitalization Index" means the 2007 index by the Office for Planning Advocacy within the Department of State measuring or ranking municipal distress.

"New full-time job" means an eligible position created by the business at the qualified business facility that did not previously exist in this State. For the purposes of determining a number of new full-time jobs, the eligible positions of an affiliate shall be considered eligible positions of the business.

"Other eligible area" means the portions of the qualified incentive area that are not located within a distressed municipality, or the priority area.

"Partnership" means an entity classified as a partnership for federal income tax purposes.

"Port district" means the portions of a qualified incentive area that are located within:

a. the "Port of New York District" of the Port Authority of New York and New Jersey, as defined in Article II of the Compact Between the States of New York and New Jersey of 1921; or

b. a 15-mile radius of the outermost boundary of each marine terminal facility established, acquired, constructed, rehabilitated, or improved by the South Jersey Port District established pursuant to "The South Jersey Port Corporation Act," P.L.1968, c.60 (C.12:11A-1 et seq.).

"Priority area" means the portions of the qualified incentive area that are not located within a distressed municipality and which:

a. are designated pursuant to the "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), a designated center under the State Development and Redevelopment Plan, or a designated growth center in an endorsed plan until June 30, 2013, or until the State Planning Commission revises and readopts New Jersey's State Strategic Plan and adopts regulations to revise this definition;

b. intersect with portions of: a deep poverty pocket, a port district, or federally-owned land approved for closure under a federal Commission on Base Realignment and Closure action;

c. are the proposed site of a disaster recovery project, a qualified incubator facility, a highlands development credit receiving area or redevelopment area, a tourism destination project, or transit oriented development; or

d. contain: a vacant commercial building having over 400,000 square feet of office, laboratory, or industrial space available for
occupancy for a period of over one year; or a site that has been
negatively impacted by the approval of a "qualified business
facility," as defined pursuant to section 2 of P.L.2007, c.346
(C.34:1B-208).

"Professional employer organization" means an employee leasing
company registered with the Department of Labor and Workforce
Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

"Program" means the "Grow New Jersey Assistance Program"
established pursuant to section 3 of P.L.2011, c.149 (C.34:1B-244).

"Public research university" means a public research university as
defined in section 3 of P.L.1994, c.48 (C.18A:3B-3).

"Qualified business facility" means any building, complex of
buildings or structural components of buildings, and all machinery
and equipment located within a qualified incentive area, used in
connection with the operation of a business that is not engaged in
final point of sale retail business at that location unless the building,
complex of buildings or structural components of buildings, and all
machinery and equipment located within a qualified incentive area,
are used in connection with the operation of:

a. a final point of sale retail business located in a Garden State
   Growth Zone that will include a retail facility of at least 150,000
   square feet, of which at least 50 percent is occupied by either a full-
   service supermarket or grocery store; or

b. a tourism destination project located in the Atlantic City
   Tourism District as established pursuant to section 5 of P.L.2011,
c.18 (C.5:12-219).

"Qualified incentive area" means:

a. an aviation district;

b. a port district;

c. a distressed municipality or urban transit hub municipality;

d. an area (1) designated pursuant to the "State Planning Act,"
P.L.1985, c.398 (C.52:18A-196 et seq.), as:

(a) Planning Area 1 (Metropolitan);

(b) Planning Area 2 (Suburban); or

(c) Planning Area 3 (Fringe Planning Area);

(2) located within a smart growth area and planning area
designated in a master plan adopted by the New Jersey Meadowlands
Commission pursuant to subsection (i) of section 6 of P.L.1968,
c.404 (C.13:17-6) or subject to a redevelopment plan adopted by the
New Jersey Meadowlands Commission pursuant to section 20 of
P.L.1968, c.404 (C.13:17-21);

(3) located within any land owned by the New Jersey Sports and
Exposition Authority, established pursuant to P.L.1971, c.137
(C.5:10-1 et seq.), within the boundaries of the Hackensack
Meadowlands District as delineated in section 4 of P.L.1968, c.404
(C.13:17-4);

(4) located within a regional growth area, rural development area
zoned for industrial use as of the effective date of P.L.2016, c.75,
town, village, or a military and federal installation area designated in
the comprehensive management plan prepared and adopted by the
Pinelands Commission pursuant to the "Pinelands Protection Act,"
P.L.1979, c.111 (C.13:18A-1 et seq.);
(5) located within the planning area of the Highlands Region as
defined in section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands
development credit receiving area or redevelopment area;
(6) located within a Garden State Growth Zone;
(7) located within land approved for closure under any federal
Commission on Base Realignment and Closure action; or
(8) located only within the following portions of the areas
designated pursuant to the "State Planning Act," P.L.1985, c.398
(C.52:18A-196 et seq.), as Planning Area 4A (Rural Planning Area),
Planning Area 4B (Rural/Environmentally Sensitive) or Planning
Area 5 (Environmentally Sensitive) if Planning Area 4A (Rural
Planning Area), Planning Area 4B (Rural/Environmentally Sensitive)
or Planning Area 5 (Environmentally Sensitive) is located within:
(a) a designated center under the State Development and
Redevelopment Plan;
(b) a designated growth center in an endorsed plan until the State
Planning Commission revises and reads New Jersey's State
Strategic Plan and adopts regulations to revise this definition as it
pertains to Statewide planning areas;
(c) any area determined to be in need of redevelopment pursuant
or in need of rehabilitation pursuant to section 14 of P.L.1992, c.79
(C.40A:12A-14);
(d) any area on which a structure exists or previously existed
including any desired expansion of the footprint of the existing or
previously existing structure provided the expansion otherwise
complies with all applicable federal, State, county, and local permits
and approvals;
(e) the planning area of the Highlands Region as defined in
section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands development
credit receiving area or redevelopment area; or
(f) any area on which an existing tourism destination project is
located.
"Qualified incentive area" shall not include any property located
within the preservation area of the Highlands Region as defined in
section 3 of P.L.2004, c.120 (C.13:20-3).
"Qualified incubator facility" means a commercial building
located within a qualified incentive area: which contains 50,000 or
more square feet of office, laboratory, or industrial space; which is
located near, and presents opportunities for collaboration with, a
research institution, teaching hospital, college, or university; and
within which, at least 50 percent of the gross leasable area is
restricted for use by one or more technology startup companies
during the commitment period.
"Retained full-time job" means an eligible position that currently exists in New Jersey and is filled by a full-time employee but which, because of a potential relocation by the business, is at risk of being lost to another state or country, or eliminated. For the purposes of determining a number of retained full-time jobs, the eligible positions of an affiliate shall be considered eligible positions of the business. For the purposes of the certifications and annual reports required in the incentive agreement pursuant to subsection e. of section 4 of P.L.2011, c.149 (C.34:1B-245), to the extent an eligible position that was the basis of the award no longer exists, a business shall include as a retained full-time job a new eligible position that is filled by a full-time employee provided that the position is included in the order of date of hire and is not the basis for any other incentive award. For a project located in a Garden State Growth Zone which qualified for the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), retained full-time job shall include any employee previously employed in New Jersey and transferred to the new location in the Garden State Growth Zone which qualified for the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.).

"SDA district” means an SDA district as defined in section 3 of P.L.2000, c.72 (C.18A:7G-3).

"SDA municipality” means a municipality in which an SDA district is situate.

"State college” means a State college or university established pursuant to chapter 64 of Title 18A of the New Jersey Statutes.

"Targeted industry” means any industry identified from time to time by the authority which shall initially include advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, information and high technology, finance and insurance, professional services, film and digital media, and non-retail food and beverage businesses, including food innovation and other innovative industries that disrupt current technologies or business models.

"Technology startup company” means a for profit business that has been in operation fewer than five years and is developing or possesses a proprietary technology or business method of a high-technology or life science-related product, process, or service which the business intends to move to commercialization.

"Tourism destination project” means a qualified non-gaming business facility that will be among the most visited privately owned or operated tourism or recreation sites in the State, and which is located within the qualified incentive area and has been determined by the authority to be in an area appropriate for development and in need of economic development incentive assistance, including a non-gaming business within an established Tourism District with a significant impact on the economic viability of that District.
"Transit oriented development" means a qualified business facility located within a 1/2-mile radius, or one-mile radius for projects located in a Garden State Growth Zone, surrounding the mid-point of a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station platform area, including all light rail stations.

"Urban transit hub" means an urban transit hub, as defined in section 2 of P.L.2007, c.346 (C.34:1B-208), that is located within an eligible municipality, as defined in section 2 of P.L.2007, c.346 (C.34:1B-208) and also located within a qualified incentive area.

"Urban transit hub municipality" means a municipality: a. which qualifies for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.), or which has continued to be a qualified municipality thereunder pursuant to P.L.2007, c.111; and b. in which 30 percent or more of the value of real property was exempt from local property taxation during tax year 2006. The percentage of exempt property shall be calculated by dividing the total exempt value by the sum of the net valuation which is taxable and that which is tax exempt.

(cf: P.L.2018, c.120, s.1)

121. Section 4 of P.L.2011, c.149 (C.34:1B-245) is amended to read as follows:

4. The authority shall require an eligible business to enter into an incentive agreement prior to the issuance of tax credits. The incentive agreement shall include, but shall not be limited to, the following:

a. A detailed description of the proposed project which will result in job creation or retention, and the number of new or retained full-time jobs that are approved for tax credits.

b. The eligibility period of the tax credits, including the first year for which the tax credits may be claimed.

c. Personnel information that will enable the authority to administer the program.

d. A requirement that the applicant maintain the project at a location in New Jersey for the commitment period, with at least the minimum number of full-time employees as required by this program, except as otherwise agreed to pursuant to subsection h. of section 6 of P.L.2011, c.159 (C.34:1B-247) and a provision to permit the authority to recapture all or part of any tax credits awarded, at its discretion, if the business does not remain in compliance with this provision for the required term, and in the instance of the business terminating an existing incentive agreement in order to participate in an incentive agreement authorized pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), such permitted recapture may be calculated to recognize the period of time that the business was in compliance prior to termination.
e. A method for the business to certify that it has met the capital investment and employment requirements of the program pursuant to paragraph (1) of subsection a. of section 3 of P.L.2011, c.149 (C.34:1B-244) and to report annually to the authority the number of full-time employees for which the tax credits are to be made.

f. A provision permitting an audit of the payroll records of the business from time to time, as the authority deems necessary.

g. A provision which permits the authority to amend the agreement.

h. A provision establishing the conditions under which the agreement may be terminated.

(cf: P.L.2013, c.161, s.9)

122. Section 5 of P.L.2009, c.90 (C.52:27D-489e) is amended to read as follows:

5. a. The New Jersey Economic Development Authority, in consultation with the State Treasurer, shall establish an Economic Redevelopment and Growth Grant program for the purpose of encouraging redevelopment projects in qualifying economic redevelopment and growth grant incentive areas that do not qualify as such areas solely by virtue of being a transit village, through the provision of incentive grants to reimburse developers for certain project financing gap costs.

b. (1) A developer shall submit an application for a State incentive grant prior to July 1, 2019, except: (a) a developer of a qualified residential project or a mixed use parking project seeking an award of credits toward the funding of its incentive grant for a project restricted under category (viii) of subparagraph (b) of paragraph (3) of subsection b. of section 6 of P.L.2009, c.90 (C.52:27D-489f) shall submit an incentive grant application prior to December 31, 2021 and (b) a developer seeking an award of credits toward the funding of its incentive grant under subparagraphs (f) and (g) of paragraph (3) of subsection b. of section 6 of P.L.2009, c.90 (C.52:27D-489f) shall submit an incentive grant application prior to December 31, 2021. A developer that submits an application for a State incentive grant shall indicate on the application whether it is also applying for a local incentive grant. Tax credits awarded to developers who apply after the effective date of P.L. ______, c. (C.________)(pending before the Legislature as this bill) under subparagraphs (f) and (g) of paragraph (3) of subsection b. of section 6 of P.L.2009, c.90 (C.52:27D-489f) shall not exceed $200,000,000 subject to the limitations of subparagraphs (f) and (g) of that paragraph.

(2) When an applicant indicates it is also applying for a local incentive grant, the authority shall forward a copy of the application to the municipality wherein the redevelopment project is to be located for approval by municipal ordinance.
c. An application for a State incentive grant shall be reviewed and approved by the authority. The authority shall not approve an application for a State incentive grant unless the application was submitted prior to July 1, 2019, except: (1) the authority shall not approve an application for a State incentive grant by a developer of a qualified residential project or a mixed use parking project seeking an award of credits toward the funding of its incentive grant for a project restricted under category (viii) of subparagraph (b) of paragraph (3) of subsection b. of section 6 of P.L.2009, c.90 (C.52:27D-489f) unless the application was submitted prior to December 31, 2021 and (2) the authority shall not approve an application for a State incentive grant by a developer under subparagraphs (f) and (g) of paragraph (3) of subsection b. of section 6 of P.L.2009, c.90 (C.52:27D-489f) unless the application was submitted prior to December 31, 2021.

d. A developer shall not be required to purchase pinelands development credits under the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-1 et seq.), the pinelands comprehensive management plan, or any other rule or regulation adopted pursuant to that act in connection with any approval or relief obtained related to a redevelopment project located in an aviation district on or after the effective date of P.L.2018, c.120, except if seeking to develop in permanently protected open space pursuant to the Pinelands Protection Act. The provisions of this subsection shall not apply to a developer of a qualified residential project.

(cf: P.L.2018, c.120, s.6)

123. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to read as follows:

6. a. Up to the limits established in subsection b. of this section and in accordance with a redevelopment incentive grant agreement, beginning upon the receipt of occupancy permits for any portion of the redevelopment project, or upon any other event evidencing project completion as set forth in the incentive grant agreement, the State Treasurer shall pay to the developer incremental State revenues directly realized from businesses operating at the site of the redevelopment project from the following taxes: the Corporation Business Tax Act (1945), P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine insurance companies pursuant to R.S.54:16-1 et seq., the tax imposed on insurers generally, pursuant to P.L.1945, c.132 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities gross receipts tax and public utility excise tax imposed on sewerage and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et seq.), those tariffs and charges imposed by electric, natural gas, telecommunications, water and sewage utilities, and cable television companies under the jurisdiction of the New Jersey Board of Public Utilities, or comparable entity, except for those tariffs, fees, or taxes related to societal benefits charges assessed
pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance with the "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et seq.), transitional energy facility assessment unit taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34), and the sales and use taxes on public utility and cable television services and commodities, the tax derived from net profits from business, a distributive share of partnership income, or a pro rata share of S corporation income under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at the site of a redevelopment project that is required to collect the tax pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1 et seq.) from the purchase of furniture, fixtures and equipment, or materials for the remediation, the construction of new structures at the site of a redevelopment project, the hotel and motel occupancy fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1), or the portion of the fee imposed pursuant to section 3 of P.L.1968, c.49 (C.46:15-7) derived from the sale of real property at the site of the redevelopment project and paid to the State Treasurer for use by the State, that is not credited to the "Shore Protection Fund" or the "Neighborhood Preservation Nonlapsing Revolving Fund" ("New Jersey Affordable Housing Trust Fund") pursuant to section 4 of P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to assign their ability to apply for the tax credit under this subsection to a non-profit organization with a mission dedicated to attracting investment and completing development and redevelopment projects in a Garden State Growth Zone. The non-profit organization may make an application on behalf of a developer which meets the requirements for the tax credit, or a group of non-qualifying developers, such that these will be considered a unified project for the purposes of the incentives provided under this section.

b. (1) Up to an average of 75 percent of the projected annual incremental revenues or 85 percent of the projected annual incremental revenues in a Garden State Growth Zone may be pledged towards the State portion of an incentive grant.

(2) In the case of a qualified residential project or a project involving university infrastructure, if the authority determines that the estimated amount of incremental revenues pledged towards the State portion of an incentive grant is inadequate to fully fund the amount of the State portion of the incentive grant, then in lieu of an incentive grant based on the incremental revenues, the developer shall be awarded tax credits equal to the full amount of the incentive grant.

(3) In the case of a mixed use parking project, if the authority determines that the estimated amount of incremental revenues pledged towards the State portion of an incentive grant is inadequate to fully fund the amount of the State portion of the incentive grant, then, in lieu of an incentive grant based on the incremental revenues,
the developer shall be awarded tax credits equal to the full amount of
the incentive grant.

The value of all credits approved by the authority pursuant to
paragraphs (2) and (3) of this subsection shall not exceed
[$823,000,000] $1,043,000,000, of which:

(a) $250,000,000 shall be restricted to qualified residential
projects within Atlantic, Burlington, Camden, Cape May,
Cumberland, Gloucester, Ocean, and Salem counties, of which
$175,000,000 of the credits shall be restricted to the following
categories of projects: (i) qualified residential projects located in a
Garden State Growth Zone located within the aforementioned
counties; (ii) mixed use parking projects located in a Garden
State Growth Zone or urban transit hub located within the
aforementioned counties; (iii) and $75,000,000 of the credits shall be
restricted to qualified residential projects in municipalities with a
2007 Municipal Revitalization Index of 400 or higher as of the date
of enactment of the "New Jersey Economic Opportunity Act of
2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within the
aforementioned counties;

(b) $395,000,000 shall be restricted to the following categories of
projects: (i) qualified residential projects located in urban transit hubs
that are commuter rail in nature that otherwise do not qualify under
paragraph (a) of this paragraph; (ii) qualified residential projects
located in Garden State Growth Zones that do not qualify under
paragraph (a) of this paragraph; (iii) mixed use parking projects
located in urban transit hubs or Garden State Growth Zones that do
not qualify under paragraph (a) of this paragraph, provided
however, an urban transit hub shall be allocated no more than
$25,000,000 for mixed use parking projects; (iv) qualified residential
projects which are disaster recovery projects that otherwise do not
qualify under paragraph (a) of this paragraph; (v) qualified
residential projects in SDA municipalities located in Hudson County
that were awarded State Aid in State Fiscal Year 2013 through the
Transitional Aid to Localities program and otherwise do not qualify
under paragraph (a) of this paragraph; (vi) $25,000,000 of credits
shall be restricted to mixed use parking projects in Garden State
Growth Zones which have a population in excess of 125,000 and do
not qualify under paragraph (a) of this paragraph; (vii)
$40,000,000 of credits shall be restricted to qualified residential
projects that include a theater venue for the performing arts and do
not qualify under paragraph (a) of this paragraph, which projects
are located in a municipality with a population of less than 100,000
according to the latest federal decennial census, and within which
municipality is located an urban transit hub and a campus of a public
research university, as defined in section 1 of P.L.2009, c.308
(C.18A:3B-46); and (viii) [$105,000,000] $125,000,000 of credits
shall be restricted to qualified residential projects and mixed use
parking projects in Garden State Growth Zones having a population
in excess of 125,000 and do not qualify under subparagraph (a) of
this paragraph;
(e) $27,000,000 shall be restricted to projects involving university
infrastructure;
(f) $150,000,000 shall be restricted to applications submitted after
the effective date of P.L. , c. (pending before the
Legislature as this bill) for projects which are predominantly
commercial and contain 100,000 or more square feet of office and
retail space, or industrial space for purchase or lease and may include
a parking component; and
(g) $50,000,000 shall be restricted to applications submitted after
the effective date of P.L. , c. (pending before the
Legislature as this bill) for residential projects in any county of the
State.
[(f)] (h) For subparagraphs (a) through (d) of this paragraph, not
more than $40,000,000 of credits shall be awarded to any qualified
residential project in a deep poverty pocket or distressed municipality
and not more than $20,000,000 of credits shall be awarded to any
other qualified residential project. The developer of a qualified
residential project seeking an award of credits towards the funding of
its incentive grant shall submit an incentive grant application prior to
July 1, 2016 and if approved after September 18, 2013, the effective
date of P.L.2013, c.161 (C.52:27D-489p et al.) shall submit a
temporary certificate of occupancy for the project no later than [July
December 31, 2023. The developer of a mixed use parking project seeking an award of credits towards the funding of its incentive grant pursuant to subparagraph (c) of this paragraph and if approved after the effective date of P.L.2015, c.217, shall submit a temporary certificate of occupancy for the project no later than July 28, 2021. The developer of a qualified residential project or a mixed use parking project seeking an award of credits toward the funding of its incentive grant for a project restricted under categories (vi) and (viii) of subparagraph (b) of this paragraph shall submit an incentive grant application prior to July 1, 2019 or, in the case of a project restricted under category (viii) of subparagraph (b) of this paragraph, December 31, 2021, and if approved after the effective date of P.L.2017, c.59, shall submit a temporary certificate of occupancy for the project no later than July 28, 2022. December 31, 2023 provided that the municipality in which the project is located shall have submitted to the chief executive officer of the authority a letter of support identifying up to six projects prior to July 1, 2018. The letter of support is to contain a project scope for each of the projects and may be supplemented or amended from time to time until July 1, 2019 or, in the case of a project restricted under category (viii) of subparagraph (b) of this paragraph, December 31, 2021. Applications for tax credits pursuant to this subsection relating to an ancillary infrastructure project or infrastructure improvement in the public right-of-way, or both, shall be accompanied with a letter of support relating to the project or improvement by the governing body or agency in which the project is located. Credits awarded to a developer pursuant to this subsection shall be subject to the same financial and related analysis by the authority, the same term of the grant, and the same mechanism for administering the credits, and shall be utilized or transferred by the developer as if the credits had been awarded to the developer pursuant to section 35 of P.L.2009, c.90 (C.34:1B-209.3) for qualified residential projects thereunder. No portion of the revenues pledged pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) shall be subject to withholding or retainage for adjustment, in the event the developer or taxpayer waives its rights to claim a refund thereof.

(i) The developer of a project seeking an award of credits for a project restricted under subparagraphs (f) and (g) of this paragraph shall submit an incentive grant application prior to December 31, 2021, and if approved after the effective date of P.L.______), c. (C.____)(pending before the Legislature as this bill), shall submit a temporary certificate of occupancy for the project no later than December 31, 2024. In addition to the requirements for an award of credits set forth in P.L.2009, c.90 (C.52:27D-489a et al.), a developer shall be eligible to receive an award of credits for a project restricted under subparagraphs (f) and (g) of this paragraph only if the
developer demonstrates to the authority at that time of application that: (i) the project shall comply with minimum environmental and sustainability standards; (ii) the project shall comply with the authority’s affirmative action requirements, adopted pursuant to section 4 of P.L.1979, c.303 (C.34:1B-5.4); (iii) each worker employed by the developer or subcontractor of a developer working at the project shall be paid not less than $15 per hour or 120 percent of the minimum wage fixed under subsection a. of section 5 of P.L.1966, c.113 (C.34:11-56a4), whichever is higher; and (iv) during the eligibility period, each worker employed to perform construction work or building services work at the project shall be paid not less than the prevailing wage rate for the worker’s craft or trade, as determined by the Commissioner of Labor and Workforce Development pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) and P.L.2005, c.379 (C.34:11-56.58 et seq.).

Prior to the board considering an application submitted by a developer for a project restricted under subparagraphs (f) and (g) of this paragraph, the Department of Labor and Workforce Development, the Department of Environmental Protection, and the Department of the Treasury shall each report to the chief executive officer of the authority whether the developer is in substantial good standing with the respective department, or has entered into an agreement with the respective department that includes a practical corrective action plan for the developer. The developer, or an authorized agent of the developer, shall certify to the authority that all factual assertions made in the developer’s application are true under the penalty of perjury. If at any time the authority determines that the developer made a material misrepresentation on the developer’s application, the developer shall forfeit the award of credits and the authority shall recapture any tax credits awarded to the developer.

(4) A developer may apply to the Director of the Division of Taxation in the Department of the Treasury and the chief executive officer of the authority for a tax credit transfer certificate, if the developer is awarded a tax credit pursuant to paragraph (2) or paragraph (3) of this subsection, covering one or more years, in lieu of the developer being allowed any amount of the credit against the tax liability of the developer. The tax credit transfer certificate, upon receipt thereof by the developer from the director and the chief executive officer of the authority, may be sold or assigned, in full or in part, to any other person who may have a tax liability pursuant to section 5 of P.L.1945, c.162 (C.54:1OA-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. The certificate provided to the developer shall include a statement waiving the developer’s right to claim that amount of the credit against the taxes that the developer has elected to sell or assign. The sale or assignment of any amount of a tax credit transfer certificate allowed under this
A paragraph shall not be exchanged for consideration received by the developer of less than 75 percent of the transferred credit amount before considering any further discounting to present value that may be permitted. Any amount of a tax credit transfer certificate used by a purchaser or assignee against a tax liability shall be subject to the same limitations and conditions that apply to the use of the credit by the developer who originally applied for and was allowed the credit.

c. All administrative costs associated with the incentive grant shall be assessed to the applicant and be retained by the State Treasurer from the annual incentive grant payments.

d. The incremental revenue for the revenues listed in subsection a. of this section shall be calculated as the difference between the amount collected in any fiscal year from any eligible revenue source included in the State redevelopment incentive grant agreement, less the revenue increment base for that eligible revenue.

e. The municipality is authorized to collect any information necessary to facilitate grants under this program and remit that information in order to assist in the calculation of incremental revenue.

(cf: P.L.2018, c.44, s.2)

124. Section 8 of P.L.2009, c.90 (C.52:27D-489h) is amended to read as follows:

8. a. (1) The authority, in consultation with the State Treasurer, shall promulgate an incentive grant application form and procedure for the Economic Redevelopment and Growth Grant program.

(2) (a) The Local Finance Board, in consultation with the authority, shall develop a minimum standard incentive grant application form for municipal Economic Redevelopment and Growth Grant programs.

(b) Through regulation, the authority shall establish standards for redevelopment projects seeking State or local incentive grants based on the green building manual prepared by the Commissioner of Community Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction.

b. Within each incentive grant application, a developer shall certify information concerning:

(1) the status of control of the entire redevelopment project site;

(2) all required State and federal government permits that have been issued for the redevelopment project, or will be issued pending resolution of financing issues;

(3) local planning and zoning board approvals, as required, for the redevelopment project;

(4) estimates of the revenue increment base, the eligible revenues for the project, and the assumptions upon which those estimates are made.
With regard to State tax revenues proposed to be pledged for an incentive grant, the authority and the State Treasurer shall review the project costs, evaluate and validate the project financing gap estimated by the developer, and conduct a State fiscal impact analysis to ensure that the overall public assistance provided to the project, except with regards to a qualified residential project, a mixed use parking project, or a project involving university infrastructure, will result in net benefits to the State including, without limitation, both direct and indirect economic benefits and non-financial community revitalization objectives, including but not limited to, the promotion of the use of public transportation in the case of the ancillary infrastructure project portion of any transit project.

With regard to local incremental revenues proposed to be pledged for an incentive grant, the authority and the Local Finance Board shall review the project costs, and except with respect to an application by a municipal redeveloper, evaluate and validate the project financing gap projected by the developer, and conduct a local fiscal impact analysis to ensure that the overall public assistance provided to the project, except with regards to a qualified residential project, a mixed use parking project, or a project involving university infrastructure, will result in net benefits to the municipality wherein the redevelopment project is located including, without limitation, both direct and indirect economic benefits and non-financial community revitalization objectives, including but not limited to, the promotion of the use of public transportation in the case of the ancillary infrastructure project portion of any transit project.

The authority, State Treasurer, and Local Finance Board may act cooperatively to administer and review applications, and shall consult with the Office of State Planning on matters concerning State, regional, and local development and planning strategies.

The costs of the aforementioned reviews shall be assessed to the applicant as an application fee, except for applications submitted on or after January 1, 2018, but before June 30, 2018, which are amended after the effective date of P.L. , c. (pending before the Legislature as this bill), the authority may waive fees.

A developer who has already applied for an incentive grant prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), but who has not yet been approved for the grant, or has not executed an agreement with the authority, may proceed under that application or seek to amend the application or reapply for an incentive grant award for the same project or any part thereof for the purpose of availing himself or herself of any more favorable provisions of the Economic Redevelopment and Growth Grant program established pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), except that projects with costs exceeding $200,000,000 shall not be eligible for revised
percentage caps under subsection d. of section 19 of P.L.2013, c.161
(C.52:27D-489i).
(cf: P.L.2015, c.242, s.3)

125. R.S.54:50-8 is amended to read as follows:

54:50-8. a. The records and files of the director respecting the
administration of the State Uniform Tax Procedure Law or of any
State tax law shall be considered confidential and privileged and
neither the director nor any employee engaged in the administration
thereof or charged with the custody of any such records or files, nor
any former officer or employee, nor any person who may have
secured information therefrom under subsection d., e., f., g., p., [or]
q., or r. of R.S.54:50-9 or any other provision of State law, shall
divulge, disclose, use for their own personal advantage, or examine
for any reason other than a reason necessitated by the performance of
official duties any information obtained from the said records or files
or from any examination or inspection of the premises or property of
any person. Neither the director nor any employee engaged in such
administration or charged with the custody of any such records or
files shall be required to produce any of them for the inspection of
any person or for use in any action or proceeding except when the
records or files or the facts shown thereby are directly involved in an
action or proceeding under the provisions of the State Uniform Tax
Procedure Law or of the State tax law affected, or where the
determination of the action or proceeding will affect the validity or
amount of the claim of the State under some State tax law, or in any
lawful proceeding for the investigation and prosecution of any
violation of the criminal provisions of the State Uniform Tax
Procedure Law or of any State tax law.

b. The prohibitions of this section, against unauthorized
disclosure, use or examination by any present or former officer or
employee of this State or any other individual having custody of such
information obtained pursuant to the explicit authority of State law,
shall specifically include, without limitation, violations involving the
divulgence or examination of any information from or any copy of a
federal return or federal return information required by New Jersey
law to be attached to or included in any New Jersey return. Any
person violating this section by divulging, disclosing or using
information shall be guilty of a crime of the fourth degree. Any
person violating this section by examining records or files for any
reason other than a reason necessitated by the performance of official
duties shall be guilty of a disorderly persons offense.

c. Whenever records and files are used in connection with the
prosecution of any person for violating the provisions of this section
by divulging, disclosing or using records or files or examining
records and files for any reason other than a reason necessitated by
the performance of official duties, the defendant shall be given access
to those records and files. The court shall review such records and
files in camera, and that portion of the court record containing the
records and files shall be sealed by the court.
(cf: P.L.2019, c.367, s.1)

126. R.S.54:50-9 is amended to read as follows:
54:50-9. Nothing herein contained shall be construed to prevent:
a. The delivery to a taxpayer or the taxpayer's duly authorized
representative of a copy of any report or any other paper filed by the
taxpayer pursuant to the provisions of this subtitle or of any such
State tax law;
b. The publication of statistics so classified as to prevent the
identification of a particular report and the items thereof;
c. The director, in the director's discretion and subject to
reasonable conditions imposed by the director, from disclosing the
name and address of any licensee under any State tax law, unless
expressly prohibited by such State tax law;
d. The inspection by the Attorney General or other legal
representative of this State of the reports or files relating to the claim
of any taxpayer who shall bring an action to review or set aside any
tax imposed under any State tax law or against whom an action or
proceeding has been instituted in accordance with the provisions
thereof;
e. The examination of said records and files by the Comptroller,
State Auditor or State Commissioner of Finance, or by their
respective duly authorized agents;
f. The furnishing, at the discretion of the director, of any
information contained in tax reports or returns or any audit thereof or
the report of any investigation made with respect thereto, filed
pursuant to the tax laws, to the taxing officials of any other state, the
District of Columbia, the United States and the territories thereof,
providing said jurisdictions grant like privileges to this State and
providing such information is to be used for tax purposes only;
g. The furnishing, at the discretion of the director, of any
material information disclosed by the records or files to any law
enforcing authority of this State who shall be charged with the
investigation or prosecution of any violation of the criminal
provisions of this subtitle or of any State tax law;
h. The furnishing by the director to the State agency responsible
for administering the Child Support Enforcement program pursuant
to Title IV-D of the federal Social Security Act, Pub.L.93-647 (42
U.S.C. s.651 et seq.), with the names, home addresses, social security
numbers and sources of income and assets of all absent parents who
are certified by that agency as being required to pay child support,
upon request by the State agency and pursuant to procedures and in
a form prescribed by the director;
i. The furnishing by the director to the Board of Public Utilities
any information contained in tax information statements, reports or
returns or any audit thereof or a report of any investigation made with
respect thereto, as may be necessary for the administration of P.L.1991, c.184 (C.54:30A-18.6 et al.) and P.L.1997, c.162 (C.54:10A-5.25 et al.);

j. The furnishing by the director to the Director of the Division of Alcoholic Beverage Control in the Department of Law and Public Safety any information contained in tax information statements, reports or returns or any audit thereof or a report of any investigation made with respect thereto, as may be relevant, in the discretion of the director, in any proceeding conducted for the issuance, suspension or revocation of any license authorized pursuant to Title 33 of the Revised Statutes;

k. The inspection by the Attorney General or other legal representative of this State of the reports or files of any tobacco product manufacturer, as defined in section 2 of P.L.1999, c.148 (C.52:4D-2), for any period in which that tobacco product manufacturer was not or is not in compliance with subsection a. of section 3 of P.L.1999, c.148 (C.52:4D-3), or of any licensed distributor as defined in section 102 of P.L.1948, c.65 (C.54:40A-2), for the purpose of facilitating the administration of the provisions of P.L.1999, c.148 (C.52:4D-1 et seq.);

l. The furnishing, at the discretion of the director, of information as to whether a contractor or subcontractor holds a valid business registration as defined in section 1 of P.L.2001, c.134 (C.52:32-44);

m. The furnishing by the director to a State agency as defined in section 1 of P.L.1995, c.158 (C.54:50-24) the names of licensees subject to suspension for non-payment of State tax indebtedness pursuant to P.L.2004, c.58 (C.54:50-26.1 et al.);

n. The release to the United States Department of the Treasury, Bureau of Financial Management Service, or its successor of relevant taxpayer information for purposes of implementing a reciprocal collection and offset of indebtedness agreement entered into between the State of New Jersey and the federal government pursuant to section 1 of P.L.2006, c.32 (C.54:49-12.7);

o. The examination of said records and files by the Commissioner of Health and Senior Services, the Commissioner of Human Services, the Medicaid Inspector General, or their respective duly authorized agents, pursuant to section 5 of P.L.2007, c.217 (C.26:2H-18.60e), section 3 of P.L.1968, c.413 (C.30:4D-3), or section 5 of P.L.2005, c.156 (C.30:4J-12);

p. The furnishing at the discretion of the employer provided wage and tax withholding information contained in tax reports or returns filed pursuant to N.J.S.54A:7-2, 54A:7-4 and 54A:7-7, to the designated municipal officer of a municipality authorized to impose an employer payroll tax pursuant to the provisions of Article 5 (Employer Payroll Tax) of the "Local Tax Authorization Act," P.L.1970, c.326 (C.40:48C-14 et seq.), for the
limited purpose of verifying the payroll information reported by
employers subject to the employer payroll tax;
q. The furnishing by the director to the Commissioner of Labor
and Workforce Development of any information, including, but not
limited to, tax information statements, reports, audit files, returns, or
reports of any investigation for the purpose of labor market research
or assisting in investigations pursuant to any State wage, benefit or
tax law as enumerated in section 1 of P.L.2009, c.194 (C.34:1A-1.11); or pursuant to P.L.1940, c.153 (C.34:2-21.1 et seq.).
r. The furnishing by the director to the New Jersey Economic
Development Authority any information contained in tax information
statements, reports or returns, or any audit thereof or a report of any
investigation made with respect thereto, as may be relevant to assist
the authority in the implementation of programs through which
grants, loans, tax credits, or other forms of financial assistance are
provided. The director shall provide to the New Jersey Economic
Development Authority, upon request, such information.
127. There is appropriated from the General Fund:
a. to the Main Street Recovery Fund, the sum of $50,000,000 to
implement the provisions of sections 82 through 88 of P.L. ,
c. (C. ) (pending before the Legislature as this bill)
b. to the Economic Development Authority, the sum of $250,000
to implement the provisions of sections 99 through 105 of P.L. ,
c. (C. ) (pending before the Legislature as this bill);
c. to the Economic Development Authority, the sum of $250,000
to implement the provisions of sections 92 through 97 of P.L. ,
c. (C. ) (pending before the Legislature as this bill); and
d. to the Economic Development Authority, the sum of
$5,000,000 to be used to award competitive grants for zoning and
economic planning services in government-restricted municipalities
or economic redevelopment plans for distressed assets in other
municipalities.
128. This act shall take effect immediately.

STATEMENT

This bill, named the "New Jersey Economic Recovery Act of
2020" provides for administration of programs and policies related
to jobs, property development, food deserts, community partnerships,
small and early stage businesses, State procurement, wind energy,
and film production.

Sections 2-8 of the bill is the “Historic Property Reinvestment
Act” providing tax credits for part of the cost of rehabilitating historic
properties in this State.
Sections 9-19 of the bill is the “Brownfields Redevelopment Incentive Program Act” providing tax credits to compensate developers of redevelopment projects located on brownfield sites for remediation costs.

Section 20-34 of the bill is the "New Jersey Innovation Evergreen Act" auctioning tax credits for cash, which will be used to invest in innovation as a catalyst for economic growth and to advance the competitiveness of the State’s businesses in the global economy.

Sections 35-42 of the bill is the “Food Desert Relief Act” providing tax credits in order to incentivize businesses to establish and retain new supermarkets and grocery stores in food desert communities.

Sections 43-53 is the "New Jersey Community-Anchor Development Act" providing tax credits to anchor institutions to incentivize the expansion of targeted industries in the State and the continued development of certain areas of the State.

Sections 54-67 is the "New Jersey Aspire Program Act" providing tax credits to encourage redevelopment projects by covering certain project financing gap costs.

Sections 68-81 is the “Emerge Program Act” providing tax credits to encourage economic development, job creation, and the retention of significant numbers of jobs in imminent danger of leaving the State.

Sections 82-88 is the "Main Street Recovery Finance Program Act" providing grants, loans, and loan guarantees to small businesses.

Sections 92-97 is the "New Jersey Ignite Act" a public-private partnership providing start-up rent grants to collaborative workspaces to support the early months of an early stage innovation economy business’s rent at the collaborative workspace.

Section 99-105 is the “Economic Development Authority Integrity and Protection Act” to create an Office of the Economic Development Inspector General, which will operate independent of the oversight or management of the of the EDA, and to require employment of Chief Compliance Officer to manage the Division of Portfolio Management and Compliance in the EDA.

Sections 106-107 allow tax credits for new hires involved in the manufacture of personal protective.

Sections 108-124 amend existing tax credit programs and requirements.