

ASSEMBLY, No. 5707

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

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District 38 (Bergen and Passaic)

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Senator VIN GOPAL

District 11 (Monmouth)

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

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SYNOPSIS

Appropriates \$50 million from General Fund to EDA to support businesses and nonprofit organizations impacted by COVID-19 pandemic.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/3/2021)

1 A SUPPLEMENT to the Fiscal Year 2021 appropriations act,
2 P.L.2020, c.97.

3

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

6

7 1. In addition to the amounts appropriated under P.L.2020,
8 c.97, the annual appropriations act for Fiscal Year 2021, there is
9 appropriated the following sum for the purpose specified:
10

82 DEPARTMENT OF THE TREASURY

50 Economic Planning, Development, and Security

51 Economic Planning and Development

GRANTS-IN-AID

38-2043	Economic Development	\$50,000,000
	Total Grants-in-Aid Appropriation, Economic Planning and Development	<u>\$50,000,000</u>

Grants-in-Aid:

38	Assistance to Businesses and Nonprofits, EDA	(\$50,000,000)
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12 The amount hereinabove appropriated for Assistance to Businesses
13 and Nonprofits, EDA, shall be allocated to the New Jersey
14 Economic Development Authority to provide financial assistance
15 to eligible businesses and nonprofit organizations, pursuant to
16 section 1 of P.L.2021, c.46. The authority may transfer the
17 uncommitted balance of any funds hereinabove appropriated for
18 Assistance to Businesses and Nonprofits, EDA, for the purposes
19 of any program established pursuant to P.L.2021, c.42, P.L.2021,
20 c.43, P.L.2021, c.45, or P.L.2021, c.47, as well as the Sustain
21 and Serve NJ Program and the Startup Business and Nonprofit
22 Assistance Program, established pursuant to P.L. ,
23 c. (pending before the Legislature as Assembly Bill No. 5708
24 of 2021 and Senate Bill No. 3795 of 2021); provided, however,
25 that the authority shall submit notice to the Joint Budget
26 Oversight Committee no less than five calendar days before the
27 date of the transfer. At a minimum, the notice shall indicate the
28 amount of and purpose for the transferred funds.

29

30 The amount hereinabove appropriated for Assistance to Businesses
31 and Nonprofits, EDA, is conditioned upon the submission of a
32 report by the Chief Executive Officer of the New Jersey
33 Economic Development Authority to the Governor and the
34 Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
35 19.1), detailing the expenditure of program funds. At a
36 minimum, the report shall indicate the number of businesses and
37 nonprofit organizations that applied for financial assistance; the

1 number of businesses and nonprofit organizations that received
2 financial assistance; the amount of financial assistance provided
3 to each recipient; and a brief description of each recipient.

4
5 Of the amounts appropriated to the New Jersey Economic
6 Development Authority for Assistance to Food and Beverage
7 Establishments, Assistance to Businesses and Nonprofits,
8 Assistance to Child Care Providers, Assistance to
9 Microbusinesses, the Sustain and Serve NJ Program, and the
10 Startup Business and Nonprofit Assistance Program, the
11 authority may retain not more than \$1,000,000 to defray
12 administrative expenses.

13
14 2. This act shall take effect immediately.

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17 STATEMENT

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19 This bill appropriates \$50 million from the General Fund to the
20 New Jersey Economic Development Authority (EDA) to support
21 businesses and nonprofit organizations impacted by the COVID-19
22 pandemic.

23 In April 2021, the State enacted P.L.2021, c.46 to provide \$15
24 million in federal funding to the EDA for disbursement to eligible
25 businesses and nonprofit organizations impacted by the COVID-19
26 pandemic. This bill provides \$50 million in additional State
27 funding to support this program. As permitted under P.L.2021,
28 c.46, the bill allows the EDA to transfer uncommitted funds to other
29 programs administered by the authority to address the impact of the
30 COVID-19 pandemic. The bill also allows a portion of these funds
31 to be used for administrative expenses.

32 As a condition of receiving State funds, the bill also requires the
33 EDA to submit a report to the Governor and the Legislature
34 detailing the expenditure of program funds. At a minimum, the
35 report would be required to indicate the number of businesses and
36 nonprofit organizations that applied for financial assistance; the
37 number of businesses and nonprofit organizations that received
38 financial assistance; the amount of financial assistance provided to
39 each recipient; and a brief description of each recipient.