

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 1157

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 24, 2020

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 1157.

As amended and reported, this bill establishes, subject to appropriation, the Emerging Technology Urban Grant Program (program) in the New Jersey Economic Development Authority (EDA) for the purpose of awarding grants to qualifying emerging technology businesses in order to encourage the businesses to locate in one of four urban technology zones to acquire cloud computing services that will facilitate the business's growth and creation of full-time employment. The bill establishes an urban technology zone in Newark, Trenton, Camden, and New Brunswick.

The Chief Executive Officer of the EDA is to approve for grant eligibility an emerging technology business that meets certain requirements provided in the bill.

The Chief Executive Officer is to issue payment of the grant upon the submission of proof by an approved emerging technology business that the business has fulfilled the eligibility requirements established pursuant to the bill, has maintained required increases in full-time employment or revenue growth, and any other requirements determined by the EDA. The submission of proof is to be subject to review and audit by the EDA and the Department of Labor and Workforce Development.

This bill provides that the value of the grant is to be up to \$125,000 per quarter for two years, provided that no grantee receives more than \$1,000,000 in grants over the duration of the program. The sum of grants awarded under the program is not to exceed \$80,000,000, with no more than \$20,000,000 granted to businesses in each urban technology zone.

The bill provides that, in addition to any monies appropriated to the EDA to effectuate the purposes of bill, the program is to also be credited with any additional monies made available by the EDA for the purposes of the program and monies received by the EDA from any public or private source for the purposes of the program.

The committee amended the bill to make a grammatical correction.