

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 2771

STATE OF NEW JERSEY

DATED: SEPTEMBER 17, 2020

The Senate Economic Growth Committee reports favorably Senate Bill No. 2771.

As reported, this bill requires the New Jersey Economic Development Authority (EDA) to establish and maintain a program to be known as the “Rural Business Development Program” (program) to provide grant funding to a “rural business,” as defined in the bill, to be used for the retention or creation of employment positions at rural businesses. Under this bill, the EDA is to enter into an agreement with a rural business concerning the provision of grant funding to the rural business for the purpose of retaining or creating of rural business employment positions.

The EDA is to establish and maintain the “Rural Business Development Fund” (development fund) to provide grant funding to rural businesses that participate in the program and to administer the program. The development fund is to be credited with \$35,000,000 from an appropriation made to the authority. The development fund may be credited with moneys made available by the EDA for the purpose of the development fund and moneys received by the EDA from any other public or private donations.

In administering the program, the EDA is to establish:

- 1) procedures and timelines for applications for the program;
- 2) criteria for determining grant funding amounts to be disbursed from the development fund to rural businesses;
- 3) reporting requirements for rural businesses accepted into the program and their receiving grant funding from the development fund; and
- 4) any other policies deemed necessary by the EDA for the administration of the program and the development fund.

A rural business receiving grant funding under the program is to report to the EDA every six months while the rural business participates in the program detailing how the rural business used grant funding to retain or create employment positions at the rural business, and any other information the EDA requires.