

# SENATE, No. 3796

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 13, 2021

**Sponsored by:**

**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)**

**Co-Sponsored by:**

**Senators Beach, Brown, Codey, Cruz-Perez, Cryan, Cunningham, Diegnan, Gill, Greenstein, Madden, Oroho, Pou, Rice, Ruiz, Sacco, Sarlo, Scutari, Singleton, B.Smith, Stack, Sweeney, Testa, Turner, Vitale and Weinberg**

**SYNOPSIS**

Appropriates \$120 million from General Fund to EDA to support microbusinesses 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, c.97,  
8 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 .....  | \$120,000,000        |
| Total Grants-in-Aid Appropriation, Economic<br>Planning and Development ..... | <u>\$120,000,000</u> |

***Grants-in-Aid:***

|  |                 |
|--|-----------------|
| 38 Assistance to Microbusinesses,<br>EDA ..... | (\$120,000,000) |
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11

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

28

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

1 assistance; the amount of financial assistance provided to each  
2 recipient; and a brief description of each recipient.

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

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11 2. This act shall take effect immediately.

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#### STATEMENT

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16 This bill appropriates \$120 million from the General Fund to the  
17 New Jersey Economic Development Authority (EDA) to support  
18 microbusinesses impacted by the COVID-19 pandemic.

19 In April 2021, the State enacted P.L.2021, c.42 to provide \$25  
20 million in federal funding to the EDA for disbursement to eligible  
21 microbusinesses impacted by the COVID-19 pandemic. This bill  
22 provides \$120 million in additional State funding to support this  
23 program. As permitted under P.L.2021, c.42, the bill allows the  
24 EDA to transfer uncommitted funds to other programs administered  
25 by the authority to address the impact of the COVID-19 pandemic.  
26 The bill also allows a portion of these funds to be used for  
27 administrative expenses.

28 As a condition of receiving State funds, the bill also requires the  
29 EDA to submit a report to the Governor and the Legislature  
30 detailing the expenditure of program funds. At a minimum, the  
31 report would be required to indicate the number of microbusinesses  
32 that applied for financial assistance; the number of microbusinesses  
33 that received financial assistance; the amount of financial assistance  
34 provided to each recipient; and a brief description of each recipient.