

ASSEMBLY COMMERCE AND MILITARY AND VETERAN'S
AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1432

STATE OF NEW JERSEY

DATED: FEBRUARY 15, 1996

The Assembly Commerce and Military and Veteran's Affairs Committee reports favorably Assembly Bill No. 1432.

As reported, this bill authorizes the Commissioner of Commerce and Economic Development to establish a pilot program to help small and medium-sized businesses engage in exporting in order to compete more effectively in the international marketplace. The bill authorizes the department to establish small business export network centers which will operate throughout the State to respond to the needs of small and medium-sized businesses.

The Commissioner of Commerce and Economic Development is authorized to designate three sites for the location of the small business export network centers. For the purposes of the pilot program, the commissioner shall strive to allocate the three sites in an equitable manner throughout the various regions of the State. The bill authorizes the commissioner to consider export development programs in other states and to consult with the New Jersey Small Business Development Centers (NJSBDCs), prior to acting through the division or a nonprofit entity designated by the department to promote the development of export network centers in this State.

The bill authorizes the commissioner to act through the division or appropriate nonprofit entity to initiate contacts with various entities in the State, including but not limited to, community colleges and other institutions of higher learning, the NJSBDCs and private sector research centers, to arrange for an appropriate entity or entities to operate the centers and to provide the office space, personnel, facilities and resources necessary for the operation of the centers.

The arrangements to be entered into shall specify under what terms and conditions State guarantees and direct loans may be made available to assist with the initial development of these centers. The bill further provides that the commissioner shall encourage the export network centers to support their activities with private industry membership fees and that the commissioner shall work with the centers to develop sufficient fee-based funding to enable the centers to operate without State loans or guarantees.

Within two years of the effective date of this act, the commissioner

is required to report to the Governor and the Legislature on the outcome of the program and shall include any recommendations for improving and expanding the program in the State. Ninety days after the submission of the report, the law enacted by this bill shall expire.