

P.L. 1996, CHAPTER 25, *approved May 9, 1996*
Assembly No. 1414 (*Second Reprint*)

1 AN ACT creating the "Business Relocation Assistance Grant Program"
2 and making an appropriation therefor.

3

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

6

7 1. This act shall be known and may be cited as the "Business
8 Relocation Assistance Act."

9

10 2. As used in this act:

11 "Business relocation grant" or "grant" means a grant provided to
12 fund a portion of ²[the employer's]² relocation costs pursuant to this
13 act;

14 "Commissioner" means the Commissioner of the Department of
15 Commerce and Economic Development;

16 "Department" means the Department of Commerce and Economic
17 Development;

18 ²["Employer" or "business"] "Business"² means any employer
19 subject to the provisions of R.S.43:21-1 et seq. and may include a sole
20 proprietorship, a partnership, or a corporation that has made an
21 election under Subchapter S of Chapter One of Subtitle A of the
22 Internal Revenue Code of 1986, or any other business entity through
23 which income flows as a distributive share to its owners, limited
24 liability company, nonprofit corporation, or any other form of business
25 organization located either within or outside the State ². including a
26 cooperative association². A grant received under this act by a
27 partnership, Subchapter S-Corporation, or other such business entity
28 shall be apportioned among the persons to whom the income or profit
29 of the partnership, Subchapter S-Corporation, or other entity is
30 distributed, in the same proportions as those in which the income or
31 profit is distributed ². "Cooperative association" shall include
32 financial, stock or commodities exchanges² ;

33 "Full-time employee" means a person who is employed for
34 consideration for at least thirty-five hours a week, or who renders any
35 other standard of service generally accepted by custom or practice as
36 full-time employment, provided that a person ²[is] shall be² determined
37 by the department to be employed in a permanent position in

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted January 29, 1996.

² Senate SBA committee amendments adopted March 18, 1996.

1 accordance with criteria developed by the department ¹. In
2 determining if employees are full-time, the commissioner shall give
3 greater consideration ²[when the]to ²employees ²who ²earn an average
4 of at least 1.5 times the minimum ²hourly ¹wage;

5 "New business location" means the premises that the ²[employer]
6 business² has either purchased or built or for which the ²[employer]
7 business² has entered into a written lease for a period of no less than
8 eight years from the date of relocation;

9 "New full-time job" means a job ²held by a full-time employee² that
10 did not exist ²in this State² prior to the ²[employer or]² business
11 relocating to the new business location ²[, held by a full-time
12 employee]²;

13 "New income tax revenue" means the total amount withheld by the
14 business during the taxable year from the wages of employees in new
15 full-time jobs pursuant to the "New Jersey Gross Income Tax Act,"
16 N.J.S.54A:1-1 et seq., as certified by the Director of the Division of
17 Taxation;

18 "Program" means the Business Relocation Assistance ²Grant²
19 Program created pursuant to this act;

20 "Relocation costs" means the costs incurred by the ²[employer or]²
21 business in moving and installing furniture, files, office equipment or
22 other machinery or equipment in the new business location; the cost
23 of installation of telephones and other communication equipment; and
24 the cost incurred in the purchase of office furniture and fixtures; and

25 "Total allowable relocation costs" means the lesser of total
26 relocation costs or \$400 times the number of new full-time jobs
27 created.

28
29 3. The Business Relocation Assistance ²Grant² Program is hereby
30 established in the Department of Commerce and Economic
31 Development and shall be administered by the Commissioner of the
32 Department of Commerce and Economic Development. The purpose
33 of the program is to encourage economic development and job
34 creation. To implement that purpose, and to the extent that funding
35 for the program is available, the program may provide grants in an
36 amount up to and including fifty percent of the total allowable
37 relocation costs, but in no case shall the amount of an individual grant
38 exceed 80% of the projected new income tax revenues from the new
39 jobs created by a grant applicant.

40
41 4. To qualify for a grant, a business shall:
42 a. relocate a minimum of 25 new full-time jobs to this State; or
43 b. move to expanded facilities within the State and create a
44 minimum of 25 new full-time jobs in the State.

45
46 5. Each ²[employer] business² seeking a grant shall submit an

- 1 application to the commissioner in a form and manner prescribed in
2 regulations adopted by the commissioner. The application must be
3 submitted to the department for approval at least 45 days prior to
4 moving to the new business location. The application shall include:
- 5 a. A schedule of short-term and long-term employment projections
 - 6 of the ²[employer or]² business in the State based upon the relocation;
 - 7 b. An estimate of the projected relocation costs;
 - 8 c. Terms of any lease agreements or details of the purchase or
 - 9 building of the new business location;
 - 10 d. An estimate of the projected new income tax revenues resulting
 - 11 from the relocation;
 - 12 e. A description of the type of contribution the ²[employer]
 - 13 business² can make to the long-term growth of the State's economy;
 - 14 and
 - 15 f. Any other necessary and relevant information as determined by
 - 16 the commissioner.

17 The commissioner may provide whatever assistance ²[he deems]
18 deemed² appropriate in the preparation of an application and may
19 issue grants at ²[his] the commissioner's² discretion subject to the
20 provisions of this act.

21 ²A cooperative association may apply, in one consolidated
22 application on a form and in a manner determined by the
23 commissioner, for a grant on its own behalf as a business and for
24 grants on behalf of the members of the association who may qualify
25 under this act. If a cooperative association is applying for grants on
26 behalf of its members, the members for whom the application is
27 submitted shall assign to the association any claim of right the
28 members may have under this act to apply for grants individually, and
29 shall agree to cooperate with the association in providing to the
30 commissioner all the information required for the initial application
31 and any other information the commissioner may require for the
32 purposes of this act. If a cooperative association applies for a grant
33 on behalf of its members, the members included in the application may
34 be permitted to meet the qualifications for a grant collectively, the
35 amount of a grant for the members shall be calculated as if the
36 members included in the application are one business entity, and any
37 restrictions on the qualification for a grant shall apply to each member
38 for whom an application for a grant is submitted. The grants awarded
39 shall be paid in a lump sum to the cooperative association. A grant
40 received under this act by a cooperative association may be
41 apportioned to the members of the association in a manner determined
42 by the association.²

43
44 6. No amount shall be disbursed to a recipient ²[employer]² as a
45 grant under this act in any year until the State Treasurer has certified
46 that the amount of new income tax revenue received in that year by the

1 Division of Taxation from the ²[employer] business² equals or
2 exceeds the amount of the grant.

3
4 7. a. ²[An employer] A business² that is receiving a business
5 employment incentive grant pursuant to the provisions of P.L. , c.
6 (C.)(now before the Legislature as Senate Bill No. ²[2391] 471² or
7 Assembly Bill No. ²[3210 ACS of 1995] 1415 of 1996²) shall not be
8 eligible to receive a grant under this act except upon the approval of
9 the State Treasurer.

10 b. ²[An employer] A business² that is receiving any other grant by
11 operation of State law shall not receive an amount as a grant pursuant
12 to this act which, when combined with such other grants, exceeds 80%
13 of ²[its] the² new income tax revenue² generated by employees in new
14 full-time jobs², except upon the approval of the State Treasurer.
15 Amounts received as grants from the Office of Customized Training
16 pursuant to the "1992 New Jersey Employment and Workforce
17 Development Act," P.L.1992, c.43 (C.34:15D-1 et seq.) ²,² shall be
18 excluded from the calculation of the total amount permitted under this
19 subsection.

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21 8. The commissioner shall, after consultation with the Division of
22 Taxation, pursuant to the "Administrative Procedure Act," P.L.1968,
23 c.410 (C.52:14B-1 et seq.), adopt rules and regulations necessary to
24 govern the proper conduct and operation of the program consistent
25 with the provisions of this act including, but not limited to, a
26 procedure for recapturing relocation grants awarded pursuant to this
27 act in those cases in which the commissioner determines that the
28 business receiving the grant fails to meet or comply with any condition
29 or requirement attached by the commissioner to the receipt of the
30 grant or included in rules and regulations adopted by the commissioner
31 governing the implementation of the program. ²The rules also shall
32 include the procedures to clarify the application of the various
33 provisions of this act to cooperative associations that submit
34 applications on behalf of their members.² The Director of the Division
35 of Taxation is authorized to promulgate such rules and regulations as
36 may be necessary to effect the tax related provisions of the program.

37

38 9. As determined by the commissioner, ²[any employer or] a²
39 business which is awarded a grant under this act shall submit a copy
40 of ²[its] the² State tax return ²for the business² showing business
41 income or activity, appropriate to its form of ownership, to the
42 commissioner. Failure to submit a copy of this document may result
43 in the suspension or termination of a grant.

44

45 10. The commissioner shall prepare and transmit to the Governor
46 and the Legislature on or before November 1st of each year, a report

1 concerning the impact of the program on job creation in the State.

2

3 11. The department shall conduct a study to determine the
4 minimum funding level required to successfully implement this
5 program. The study shall fully consider the rate of return for each job
6 relocation in the State as a result of the relocation grants.

7

8 12. ²[For the fiscal year beginning July 1, 1995, there] There² is
9 appropriated to the Department of Commerce and Economic
10 Development from the General Fund such sums as may be necessary,
11 as certified by the Commissioner and the Director of the Division of
12 Budget and Accounting, to fund business relocation grants made under
13 this act, the amount of which shall not exceed the new income tax
14 revenues as defined in section 2 of this act.

15

16 13. This act shall take effect immediately.

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20

21 Creates the "Business Relocation Assistance Grant Program" and
22 makes an appropriation therefor.