

ASSEMBLY, No. 5704

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

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Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman ADAM J. TALIAFERRO

District 3 (Cumberland, Gloucester and Salem)

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)

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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,
8 c.97, 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 Planning and Development	<u>\$120,000,000</u>

Grants-in-Aid:

38 Assistance to Microbusinesses, EDA	(\$120,000,000)
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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
15 to eligible microbusinesses, pursuant to section 1 of P.L.2021,
16 c.42. The authority may transfer the uncommitted balance of any
17 funds hereinabove appropriated for Assistance to
18 Microbusinesses, EDA, for the purposes of any program
19 established pursuant to P.L.2021, c.43, P.L.2021, c.45, P.L.2021,
20 c.46, or P.L.2021, c.47, as well as the Sustain and Serve NJ
21 Program and the Startup Business and Nonprofit Assistance
22 Program, established pursuant to P.L. , c. (pending before the
23 Legislature as Assembly Bill No. 5708 of 2021 and Senate Bill
24 No. 3795 of 2021); provided, however, that the authority shall
25 submit notice to the Joint Budget Oversight Committee no less
26 than five calendar days before the date of the transfer. At a
27 minimum, the notice shall indicate the amount of and purpose for
28 the transferred funds.

29

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

1 microbusinesses that applied for financial assistance; the number
2 of microbusinesses that received financial assistance; the amount
3 of financial assistance provided to each recipient; and a brief
4 description of each recipient.

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

14
15 2. This act shall take effect immediately.

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STATEMENT

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

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

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