

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 5704

# STATE OF NEW JERSEY

DATED: MAY 18, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5704.

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

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

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

#### FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.