

**ASSEMBLY, No. 5969**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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INTRODUCED NOVEMBER 8, 2021

**Sponsored by:**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblyman HERB CONAWAY, JR.**

**District 7 (Burlington)**

**Assemblyman VINCENT MAZZEO**

**District 2 (Atlantic)**

**Co-Sponsored by:**

**Assemblyman Benson**

**SYNOPSIS**

Establishes "Build Back Better Fund" in EDA for certain manufacturing business assistance; creates and funds two business assistance programs in New Jersey Redevelopment Authority; appropriates \$165 million.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 11/8/2021)**

1 AN ACT concerning certain business assistance, supplementing  
2 P.L.1974, c.80 (C.34:1B-1 et seq.) and P.L.1996, c.62 (C.55:19-  
3 20 et al.), and making an appropriation.

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

7  
8 1. As used in sections 1 and 2 of this act:

9 “Authority” means the New Jersey Economic Development  
10 Authority established pursuant to section 4 of P.L.1974, c.80  
11 (C.34:1B-4).

12 “Fund” means the “Build Back Better Fund” established  
13 pursuant to section 3 of this act.

14 “Principal business operations” means a location where at least  
15 50 percent of the business’s employees who are not primarily  
16 engaged in retail sales reside in the State, or a location where at  
17 least 50 percent of the business’s payroll for employees not  
18 primarily engaged in retail sales is paid to individuals living in this  
19 State.

20 “Program” means the Build Back Better Program established  
21 pursuant to section 2 of this act.

22 “Qualified business” means a business that:

23 a. is registered to do business in this State with the Director of  
24 the Division of Revenue and Enterprise Services in the Department  
25 of the Treasury;

26 b. has its principal business operations located in the State;

27 c. intends to maintain its principal business operations in the  
28 State after receiving assistance from the authority under the  
29 program;

30 d. is engaged in a targeted industry; and

31 e. employs fewer than 250 persons at the time of the qualified  
32 investment.

33 “Targeted industry” means those businesses that manufacture or  
34 develop high capacity storage batteries, semiconductors, artificial  
35 intelligence-powered machines and robotics equipment, and  
36 medical technology equipment.

37  
38 2. a. The New Jersey Economic Development Authority shall  
39 establish and maintain the Build Back Better Program for the  
40 purpose of providing financial assistance from the “Build Back  
41 Better Fund,” established pursuant to subsection b. of this section,  
42 to those qualified businesses in a targeted industry as a catalyst for  
43 economic growth and to advance the competitiveness of the State’s  
44 targeted industry businesses in the global economy.

45 b. The authority shall establish and maintain a dedicated, non-  
46 lapsing fund to be known as the “Build Back Better Fund.” The  
47 authority shall deposit in the fund the proceeds of the appropriation  
48 made to the authority, pursuant to section 6 of this act. The

1 authority may credit the fund with monies received from State,  
2 federal, or private sources of funds and may use those funds to  
3 provide financial assistance to qualified businesses in a manner  
4 consistent with federal law or the private source of funds. The  
5 authority shall not accept applications for assistance from the fund  
6 or make any payments from the fund after December 31, 2024.

7 c. Under the program, the authority shall provide financial  
8 assistance in the form of grants, loans, or loan guarantees ranging  
9 from \$25,000 to \$150,000 per qualified business as determined by  
10 the authority, depending on the market potential and long-term  
11 economic impact of a qualified business's new production  
12 capabilities on the State or regional economy. Each provision of  
13 financial assistance to a qualified manufacturing business shall be  
14 revenue neutral to the State as determined by the authority.  
15 Financial assistance may be used by a qualified business for the  
16 purchase of manufacturing equipment, machinery used in a  
17 manufacturing process, or computer aided design or computer aided  
18 manufacturing equipment or software, for employee payroll  
19 expenses or costs, or for the training of new or existing employees,  
20 or both.

21 d. (1) The authority shall establish an application process and  
22 determine the form and manner through which a business may make  
23 and file an application for certification as a qualified business. The  
24 authority may accept applications on a rolling basis or on one or  
25 more dates set by the authority.

26 (2) In order to receive financial assistance under the program, a  
27 business, at the time of application, shall provide proof that it is a  
28 qualified business meeting the eligibility criteria in the definition of  
29 a qualified business and any additional criteria as may be  
30 determined by the authority and shall enter into a financial  
31 assistance agreement with the authority.

32 e. (1) A qualified business that receives financial assistance  
33 from the authority shall annually report to the authority its financial  
34 information, audited by a certified public accountant, of the  
35 qualified business that includes a consolidated summary of the  
36 performance of the qualified business. Any information about the  
37 performance of a qualified business shall be considered confidential  
38 and not subject to P.L.1963, c.73 (C.47:1A-1 et seq.), known  
39 commonly as the open public records act.

40 (2) One year after the effective date of this act and on December  
41 31, 2024, the authority shall prepare a report on the implementation  
42 of the program, and submit the report to the Governor and, pursuant  
43 to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature.  
44 Each report required under this section shall include:

45 (a) the names and locations of qualified businesses receiving  
46 financial assistance;

47 (b) the type and amount of financial assistance given to each  
48 qualified business;

1 (c) the classification of each qualified business, according to the  
2 industrial sector and the size of the qualified business;

3 (d) the total number of jobs created or retained in the State by  
4 the qualified business after receiving the financial assistance and  
5 the average wages paid for those jobs;

6 (e) the balance of the fund as well the amount of authorized  
7 assistance that has not yet been distributed and whether there is  
8 projected to be a fund balance at the end of the program; and

9 (f) any other information the authority requires to ascertain the  
10 impact of the program on the economy of the State.

11  
12 3. As used in sections 3 through 5 of this act:

13 “Authority” means the New Jersey Redevelopment Authority  
14 established pursuant to section 4 of P.L.1996, c.62 (C.55:19-23).

15 “Lease program” means the “Small Business Lease Emergency  
16 Assistance Program” established pursuant to section 4 of this act.

17 “Nonprofit organization” means a private nonprofit corporation  
18 that has been determined by the Internal Revenue Service of the  
19 United States Department of the Treasury to be exempt from  
20 income taxation under 26 U.S.C. s.501(c)(3).

21 “Qualified lease program organization” means a small business  
22 or nonprofit organization negatively impacted by COVID-19 and  
23 that:

24 a. leases up to 7,500 square feet of commercial space in a  
25 commercial or mixed-use building in a qualified municipality; or

26 b. is a storefront small business or nonprofit organization that  
27 leases its commercial space in a qualified municipality.

28 “Qualified municipality” shall have the same meaning as  
29 provided in section 3 of P.L.1996, c.62 (C.55:19-22).

30 “Qualified reimbursement program organization” means a small  
31 business or nonprofit organization negatively impacted by COVID-  
32 19 and leasing less than 5,000 square feet of commercial office  
33 space within a qualified municipality at a location that is a  
34 commercial business location in a downtown area or designated  
35 central business district, commercial shopping center, mixed use  
36 property; or corporate building.

37 “Reimbursement program” means the “Small Business  
38 Reimbursement Program” established pursuant to section 5 of this  
39 act.

40 “Small business” means a business engaged in the conduct of a  
41 trade or business in this State that qualifies as a "small business  
42 concern" within the meaning of the federal “Small Business Act,”  
43 Pub.L.85-536 (15 U.S.C. s.631 et seq.) for the purpose of the small  
44 business's eligibility assistance from the United States Small  
45 Business Administration.

46  
47 4. a. The New Jersey Redevelopment Authority shall establish  
48 the “Small Business Lease Emergency Assistance Program” for the

1 purpose of awarding grants to qualified lease program organizations  
2 that demonstrate a loss due to effects of the COVID-19 pandemic  
3 and, as a result, are struggling to pay their commercial rents. Under  
4 the lease program, the authority shall award grants of the lesser of a  
5 qualified lease program organization's outstanding lease obligation  
6 or \$25,000 to qualified lease program organizations for rent  
7 payment assistance on a first come, first served basis under terms  
8 and conditions established by the authority. The authority shall not  
9 accept applications for grants or award any grants under the lease  
10 program after December 31, 2024.

11 b. In order to be awarded a grant under the lease program, a  
12 small business or nonprofit organization seeking to be approved by  
13 the authority as a qualified lease program organization shall provide  
14 to the authority, under terms and conditions established by the  
15 authority:

16 (1) a current copy of the executed lease outlining the terms and  
17 conditions of the lease agreement entered into by the small business  
18 or nonprofit organization;

19 (2) the small business or nonprofit organization's current State  
20 of New Jersey tax clearance certificate or current business  
21 registration issued by the State of New Jersey;

22 (3) if applicable, verification confirming the small business or  
23 nonprofit organization's closure date of operations due to COVID-  
24 19;

25 (4) verification from the small business or nonprofit  
26 organization's landlord that the respective small business or  
27 nonprofit organization was in good standing with monthly lease  
28 obligations prior to March 1, 2020. The verification shall include a  
29 signed certification from the landlord and small business or  
30 nonprofit organization acknowledging the amount of the current  
31 outstanding lease obligations, not to exceed \$30,000. The authority  
32 shall not approve for lease program eligibility a small business or  
33 nonprofit organization having monthly lease payments that are  
34 current or otherwise up to date; and

35 (5) any other information the authority requires.

36 c. One year after the effective date of this act and on December  
37 31, 2024, the authority shall prepare a report on the implementation  
38 of the lease program, and submit the report to the Governor and,  
39 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the  
40 Legislature. Each report shall include:

41 (1) the names and locations of qualified lease program  
42 organizations receiving a grant;

43 (2) the amount of the grant awarded to each qualified lease  
44 program organization;

45 (3) the available balance of lease program funds as well the  
46 amount of authorized assistance that has not yet been distributed  
47 and whether there is projected to be a residual balance at the end of  
48 the lease program; and

1 (4) any other information the authority requires to ascertain the  
2 impact of the lease program on the creation or retention of jobs by  
3 the qualified lease program organization.  
4

5 5. a. The New Jersey Redevelopment Authority shall establish  
6 the "Small Business Reimbursement Program" for the purpose of  
7 awarding grants to qualified reimbursement program organizations  
8 for the reimbursement of expenses incurred by qualified  
9 reimbursement program organizations during the COVID-19  
10 pandemic due to the reduction in business operations. Grant awards  
11 shall be used to provide direct financial support to qualified  
12 reimbursement program organizations dealing with additional  
13 expenses, reduced business activity, or financial stress related to the  
14 COVID-19 pandemic. Under the reimbursement program, the  
15 authority shall award grants up to \$15,000 each to qualified  
16 reimbursement program organizations to offset specific expenses  
17 paid to maintain business operations during the COVID-19  
18 pandemic on a first come, first served basis under terms and  
19 conditions established by the authority. The authority shall not  
20 accept applications for grants or award any grants under the  
21 reimbursement program after December 31, 2024

22 b. In order to be awarded a grant under the reimbursement  
23 program, an applicant organization seeking to be approved by the  
24 authority as a qualified reimbursement organization shall provide to  
25 the authority, under terms and conditions established by the  
26 authority:

27 (1) the applicant organization's current State of New Jersey tax  
28 clearance certificate or current business registration issued by the  
29 State of New Jersey;

30 (2) if applicable, a signed certification document acknowledging  
31 the applicant received any duplicate benefits or funding assistance  
32 related to COVID-19 from any federal, State, or local government  
33 entity;

34 (3) if the applicant owns more than one small business or  
35 nonprofit organization, documentation that the applicant is applying  
36 for a grant for only one small business or nonprofit organization;

37 (4) the available balance of program funds as well the amount of  
38 authorized assistance that has not yet been distributed and whether  
39 there is projected to be a residual balance at the end of the  
40 reimbursement program; and

41 (5) any other information the authority requires.

42 c. Expenses eligible for reimbursement under the  
43 reimbursement program may include:

44 (1) credit card debt related to the applicant small business or  
45 nonprofit organization;

46 (2) business receipts, dated after March 1, 2020, for any related  
47 expenses incurred by the applicant small business or nonprofit  
48 organization;

1 (3) utility bills accompanying a bank statement, dated after  
2 March 1, 2020, confirming the bill was paid by the applicant small  
3 business or nonprofit organization;

4 (4) cancelled checks for lease payments not covered by any  
5 federal, State, or local government sources of funds;

6 (5) personal protective equipment purchases not covered by any  
7 federal, State, or local government sources of funds; and

8 (6) business loan payments due to COVID-19 as verified by the  
9 authority.

10 d. In order to provide proof of business expense reimbursement  
11 eligibility under subsection c. of this section, the authority shall  
12 require an applicant to submit legible invoices and receipts, as  
13 applicable, for reimbursement. The authority shall accept business  
14 cancelled checks for confirmation of payment. All invoices and  
15 receipts submitted to the authority shall list the personal name of  
16 the applicant or the name of the applicant small business or  
17 nonprofit organization. Every invoice and receipt shall be reviewed  
18 by the authority to confirm that each invoice or receipt is aligned  
19 with the nature of the business expense of the applicant small  
20 business or nonprofit organization.

21 e. One year after the effective date of this act and on December  
22 31, 2024, the authority shall prepare a report on the implementation  
23 of the reimbursement program, and submit the report to the  
24 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-  
25 19.1), to the Legislature. Each report shall include:

26 (1) the names and locations of qualified reimbursement  
27 organizations receiving a grant;

28 (2) the amount of the grant given to each qualified  
29 reimbursement organization; and

30 (3) any other information the authority requires to ascertain the  
31 impact of the reimbursement program on the creation and retention  
32 of jobs by the qualified reimbursement organization.

33

34 6. a. There is appropriated from the General Fund to the New  
35 Jersey Economic Development Authority the sum of \$82,500,000 to  
36 effectuate the purposes of section 2 of this act. If, as of January 1,  
37 2025, there are monies remaining in the "Build Back Better Fund,"  
38 the authority shall transfer the remaining monies to the State  
39 Treasurer for deposit in the General Fund.

40 b. There is appropriated from the General Fund to the New  
41 Jersey Redevelopment Authority the sum of \$37,500,000 to  
42 effectuate the purposes of section 4 of this act. If, as of January 1,  
43 2025, the authority determines that there are unspent monies to  
44 effectuate the purposes of section 4 of this act, the New Jersey  
45 Redevelopment Authority shall transfer the remaining monies to the  
46 State Treasurer for deposit in the General Fund.

47 c. There is appropriated from the General Fund to the New  
48 Jersey Redevelopment Authority the sum of \$45,000,000 to

1 effectuate the purposes of section 5 of this act. Of this amount,  
2 \$5,000,000 shall be reserved for grants awarded to qualified  
3 reimbursement program organizations that are nonprofit  
4 organizations. If, as of January 1, 2025, the authority determines  
5 that there are unspent monies to effectuate the purposes of section 5  
6 of this act, the New Jersey Redevelopment Authority shall transfer  
7 the remaining monies to the State Treasurer for deposit in the  
8 General Fund.

9  
10 7. This act shall take effect immediately.  
11  
12

13 STATEMENT  
14

15 “Build Back Better Program”

16 This bill requires the New Jersey Economic Development  
17 Authority (NJEDA) to establish and maintain the Build Back Better  
18 Program (BBB Program) and to provide financial assistance from  
19 the “Build Back Better Fund” (BBB Fund) to those qualified  
20 businesses in a targeted industry as a catalyst for economic growth  
21 and to advance the competitiveness of the State’s “targeted  
22 industry” businesses in the global economy. Targeted industry  
23 businesses are those that manufacture or develop high capacity  
24 storage batteries, semiconductors, artificial intelligence-powered  
25 machines and robotics equipment, and medical technology  
26 equipment. The NJEDA is to deposit in the BBB Fund the proceeds  
27 of the appropriation made to the NJEDA and may credit the BBB  
28 Fund with monies received from State, federal, or private sources of  
29 funds and may use those funds to provide financial assistance to  
30 qualified businesses in a manner consistent with federal law or the  
31 private source of funds. The NJEDA is not to accept applications  
32 for assistance from or make any payments from the BBB Fund after  
33 December 31, 2024.

34 The bill requires the NJEDA to establish an application process  
35 and determine the form and manner through which a business may  
36 make and file an application for certification as a qualified business  
37 and the NJEDA may accept applications on a rolling basis or on a  
38 date set by the authority. A qualified business that receives financial  
39 assistance is to annually report to the NJEDA its financial  
40 information, audited by a certified public accountant, of the  
41 qualified business that includes a consolidated summary of the  
42 performance of the qualified business. Any information about the  
43 performance of a qualified business shall be considered confidential  
44 and not subject to the law known commonly as the open public  
45 records act.

46 The bill requires the NJEDA to prepare two reports on the  
47 implementation of the BBB Program and submit the reports to the

1 Governor and the Legislature. Each report is to include certain  
2 information as provided in the bill.

3 The bill appropriates \$82,500,000 from the General Fund to the  
4 NJEDA to effectuate the purposes of the BBB Program.

5 On February 24, 2021, the Biden administration issued an  
6 executive order directing a 100-day review and strategy  
7 development process to identify and address vulnerabilities in the  
8 supply chains of four key product sectors, which are: semiconductor  
9 manufacturing and advanced packaging, large capacity batteries,  
10 critical minerals and materials, and pharmaceuticals and active  
11 pharmaceutical ingredients.

12

13 “Small Business Lease Emergency Assistance Program”

14 The bill establishes in the New Jersey Redevelopment Authority  
15 (NJRA) “Small Business Lease Emergency Assistance Program”  
16 (lease program) for the purpose of awarding grants to qualified  
17 small businesses and nonprofit organizations (lease program  
18 organizations) located in NJRA qualified municipalities that  
19 demonstrate a loss due to effects of the COVID-19 pandemic and,  
20 as a result, are struggling to pay their commercial rents. Under the  
21 lease program, the NJRA is to award grants of up to \$25,000 each  
22 to qualified lease program organizations for rent payment assistance  
23 on a first come, first served basis under terms and conditions  
24 established by the NJRA. The NJRA is not to accept applications  
25 for grants or award any grants under the lease program after  
26 December 31, 2024.

27 The bill provides that, in order to be awarded a grant under the  
28 lease program, a small business or nonprofit organization seeking to  
29 be approved by the NJRA as a qualified lease program organization  
30 is to provide to the NJRA certain information as provided in the  
31 bill.

32 The bill requires the NJRA prepare two reports on the  
33 implementation of the lease program and submit the reports to the  
34 Governor and the Legislature. Each report is to include certain  
35 information as provided in the bill.

36 The bill appropriates \$37,500,000 from the General Fund to the  
37 NJRA to effectuate the purposes of the lease program.

38

39 “Small Business Reimbursement Program”

40 The bill establishes in the NJRA the “Small Business  
41 Reimbursement Program” (reimbursement program) for the purpose  
42 of awarding grants to qualified small businesses and nonprofit  
43 organizations (qualified reimbursement program organizations)  
44 located in NJRA qualified municipalities for the reimbursement of  
45 expenses incurred by those organizations during the COVID-19  
46 pandemic due to the reduction in business operations. The bill  
47 requires that grant awards under the reimbursement program are to  
48 be used to provide direct financial support to qualified

1 reimbursement program organizations dealing with the inflation of  
2 credit card debt, savings accounts in need of being replenished, and  
3 assistance with repayment of business loans. Under the  
4 reimbursement program, the NJRA is to award grants up to \$15,000  
5 each to qualified reimbursement program organizations to offset  
6 specific expenses paid to maintain business operations during the  
7 COVID-19 pandemic on a first come, first served basis under terms  
8 and conditions established by the NJRA. The NJRA is not to accept  
9 applications for grants or award any grants under the reimbursement  
10 program after December 31, 2024

11 The bill provides that, in order to be awarded a grant under the  
12 reimbursement program, a small business or nonprofit organization  
13 seeking to be approved by the NJRA as a qualified reimbursement  
14 program organization is to provide to the NJRA certain information  
15 as provided in the bill.

16 The bill requires the NJRA prepare two reports on the  
17 implementation of the reimbursement program and submit the  
18 reports to the Governor and the Legislature. Each report is to  
19 include certain information as provided in the bill.

20 The bill appropriates \$45,000,000 from the General Fund to the  
21 NJRA to effectuate the purposes of the reimbursement program. Of  
22 this amount, \$5,000,000 is to be reserved for grants awarded to  
23 qualified reimbursement program organizations that are nonprofit  
24 organizations.