

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 4392

STATE OF NEW JERSEY

DATED: JUNE 27, 2022

The Assembly Budget Committee reports favorable an Assembly Committee Substitute for Assembly Bill No. 4392.

As reported by the committee, this Assembly Committee Substitute for Assembly Bill No. 4392 concerns economic incentives for certain cannabis businesses.

Under current law, certain persons and entities that are issued a license to operate as a cannabis cultivator, manufacturer, wholesaler, distributor, retailer, or delivery service; and property owners, developers, and operators of projects that are to be used to benefit these licensees are prohibited from receiving certain State or local economic incentives. The provisions of the committee substitute provide that these exclusions do not apply to certain cannabis businesses, enabling them to receive the economic incentives.

Under the committee substitute, the definition of “State or local economic incentive” is amended to exclude from the definition:

- financial incentives awarded pursuant to a program created by the New Jersey Economic Development Authority for the purpose of providing financial or technical assistance to a prospective or licensed cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service that qualifies as a small business if the program created by the authority: (1) requires a portion of any funds made available under the program to be reserved for businesses operating within an impact zone, or (2) is funded in whole or in part through monies derived from the Social Equity Excise Fee and provides that the monies appropriated from the Social Equity Excise Fee are to be restricted to businesses operating within an impact zone; and
- funding made available by the Department of Labor and Workforce Development for on-the-job training.

The committee substitute defines “small business” to mean any business which has its principal place of business in this State, is independently owned and operated, and employs the equivalent of fewer than 250 full-time employees.

As reported by the committee, this committee substitute is identical to Senate Bill No. 2945.