

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 2089

STATE OF NEW JERSEY

DATED: MAY 15, 2023

The Senate Environment and Energy Committee favorably reports Senate Bill No. 2089.

This bill requires the New Jersey Economic Development Authority (authority), in consultation with the Board of Public Utilities (board) and the Department of Community Affairs, to establish and administer a program that makes loans available to eligible small businesses for certain costs of energy audits and energy efficiency or conservation improvements.

The bill permits the authority to make one or more low-interest loans available to an eligible small business for 100 percent of any unreimbursed costs to the small business of an energy audit of any of the small business's buildings that is conducted by a contractor licensed by the board. Additionally, the bill permits the authority to make low-interest loans available to an eligible small business for 100 percent of any unreimbursed costs for the purchase and installation of all energy efficiency or conservation equipment at any of the small business's buildings as a result of the energy audit.

The bill defines a "low-interest loan" as a loan for a term not exceeding 10 years at a rate of interest not exceeding the greater of three percent or one-half of the prime interest rate as reported in a financial newspaper published and circulating in New York City. The bill defines an "eligible small business" as a business entity that, at the time of application for participation, is independently owned and operated, operates primarily within this State, and satisfies other criteria that may be established by the authority.

The bill takes effect immediately, but remains inoperative for 60 days following the date of enactment.