

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 3210

STATE OF NEW JERSEY
220th LEGISLATURE

DATED: DECEMBER 30, 2022

SUMMARY

Synopsis: Promotes small business Internet presence.

Type of Impact: Potential increase in State costs.

Agencies Affected: Department of State.
New Jersey Small Business Development Centers.

Office of Legislative Services Estimate

| Fiscal Impact | <u>FY 2024 & Annually Thereafter</u> |
|-------------------------------|--|
| Potential State Cost Increase | Indeterminate |

- The Office of Legislative Services (OLS) concludes that the bill may result in an indeterminate potential increase in State expenditures related to the establishment of a program to help small businesses develop an Internet presence. Information available through the websites for the New Jersey Small Business Development Centers and the Business Action Center indicates that these entities already engage in some of the activities required by the bill.

BILL DESCRIPTION

The bill requires the Small Business Development Centers, in consultation with the Business Action Center in the Department of State, to establish a program to help small businesses in the State develop an Internet presence. The program will be limited to businesses with 25 employees. The bill requires the program to be staffed by full-time employees and volunteers. The program is intended to help small businesses with establishing and maintaining websites and social media webpages, providing assistance towards understanding and using technological tools to enhance a business’s Internet presence, expanding online sales, implementing digital business processes, and connecting with other business owners.

The bill also requires the Small Business Development Centers to conduct outreach efforts to various public and private entities, such as institutions of higher education, county colleges, and

the technology sector, to recruit volunteers to assist the center in administering and promoting the program.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill may result in an indeterminate potential increase in State expenditures related to the establishment of a program to help small businesses develop an Internet presence.

Information available through the websites for the Small Business Development Centers and the Business Action Center indicates that these entities already engage in some of the activities required by the bill. The Small Business Development Centers offer an E-Business Specialty Program that provides seminars to business owners who want to plan, develop, and market their business using the Internet and manage technology in order to increase the efficiency of their business operations. The program includes seminars in Internet strategies, online innovation, and web-based marketing. The Business Action Center's Office of Small Business Advocacy connects clients with mentorship programs that offer mentoring opportunities to small businesses that may assist them in developing social media strategies.

The Small Business Development Centers are supported by State, federal, and private funding. The use of volunteers to help manage and conduct program activities will help constrain any potential State cost increase resulting from the program.

Section: Revenue, Finance, and Appropriations
Analyst: Scott A. Brodsky
Staff Fiscal and Budget Analyst
Approved: Thomas Koenig
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).