

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 2357**  
**STATE OF NEW JERSEY**  
**221st LEGISLATURE**

DATED: MAY 23, 2024

**SUMMARY**

- Synopsis:** Establishes Office of Financial Assistance in EDA to help eligible entities access opportunities for public financial assistance; requires office to develop common application platform.
- Type of Impact:** Annual Increase in State Expenditures.
- Agencies Affected:** New Jersey Economic Development Authority.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Annual</u></b>
<b>State Expenditure Increase</b>	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill would result in an indeterminate annual State expenditure increase associated with establishing and staffing the Office of Financial Assistance within the New Jersey Economic Development Authority and developing and maintaining a common application platform for eligible business entities.
- Other State agencies may incur some annual costs in coordinating with the newly established office to provide for the efficient and up-to-date functioning of the common application platform.

**BILL DESCRIPTION**

This bill establishes an Office of Financial Assistance within the New Jersey Economic Development Authority to help eligible business entities access available sources of public financial assistance, including any grants, loans, loan guarantees, or tax credits provided by a State or federal agency. The Office of Financial Assistance would be responsible for: (1) providing technical assistance to eligible business entities in the State concerning the identification of available sources of public financial assistance and the compliance with any terms and conditions imposed upon the receipt of public financial assistance; (2) developing and updating the common application platform required under the bill; (3) coordinating with State agencies and federal

agencies on a regular basis to determine the availability of new sources of public financial assistance; and (4) fulfilling any other duties and responsibilities that may be prescribed by the board or chief executive officer of the authority.

The bill also requires the Office of Financial Assistance to develop a common application platform through which eligible business entities may electronically apply for any sources of public financial assistance made available by a State agency.

After the common application platform has been developed, the bill requires every State agency that offers public financial assistance to coordinate with the office to ensure that all applications for public financial assistance can be submitted through the platform and all information contained on the platform concerning the availability of public financial assistance is up-to-date and accurate. Based on this coordination, the office would be required to update the platform, as necessary, to ensure that all information contained therein is up-to-date and accurate.

The board of the authority is required to appoint a director of the office and the authority is to employ staff to carry out the duties of the new office.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS finds that this bill would result in an indeterminate increase in annual State expenditures for the authority associated with establishing and staffing the Office of Financial Assistance and developing and maintaining a common application platform.

Specifically, the bill establishes the new office to help business entities access available sources of public financial assistance, including any grants, loans, loan guarantees, or tax credits provided by a State or federal agency. The responsibilities of the office would include providing information and technical assistance to entities concerning the availability of public funding and to create a standard application so entities can apply to receive funding. Consequently, the authority is expected to incur additional annual expenditures associated with the operation of the office.

The cost to establish the Office of Financial Assistance and create a common application platform cannot credibly be projected. The board of the Economic Development Authority is to appoint a director of the office and the office is to be adequately staffed. By way of example, if a director were hired at a salary of \$125,000 and four additional staff members were hired at an average salary of \$80,000, then average annual staffing costs would be approximately \$755,000, inclusive of fringe benefits. Changes to these staff levels and salary assumptions would adjust this fiscal estimate accordingly. There would also be some upfront costs related to office fit out and information technology that would not be recurring. Other State agencies may incur some annual costs in coordinating with the newly established office to provide for the efficient and up-to-date functioning of the common application platform.

*Section: Authorities, Utilities, Transportation and Communications.*

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*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.).