

[First Reprint]

## ASSEMBLY, No. 3128

# STATE OF NEW JERSEY

## 221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Assemblyman CRAIG J. COUGHLIN**

**District 19 (Middlesex)**

**Assemblyman BENJIE E. WIMBERLY**

**District 35 (Bergen and Passaic)**

**Assemblywoman ELIANA PINTOR MARIN**

**District 29 (Essex and Hudson)**

**Co-Sponsored by:**

**Assemblyman Atkins, Assemblywoman Park, Assemblyman Verrelli,  
Assemblywomen Collazos-Gill and Speight**

**SYNOPSIS**

Authorizes HMFA to issue tax credits for certain purposes.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Housing Committee on January 29, 2024, with amendments.



(Sponsorship Updated As Of: 2/12/2024)

1 AN ACT concerning the issuance of certain tax credits, amending  
2 P.L.2020, c.156, and supplementing P.L.1983, c.530 (C.55:14K-1  
3 et seq.).  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 <sup>1</sup>**[**1. Section 98 of P.L.2020, c.156 (C.34:1B-362) is amended to  
9 read as follows:

10 98. a. The combined value of all tax credits awarded under the  
11 "Historic Property Reinvestment Act," sections 2 through 8 of  
12 P.L.2020, c.156 (C.34:1B-270 through 34:1B-276); the "Brownfields  
13 Redevelopment Incentive Program Act," sections 9 through 19 of  
14 P.L.2020, c.156 (C.34:1B-277 through 34:1B-287); the "New Jersey  
15 Innovation Evergreen Act," sections 20 through 34 of P.L.2020,  
16 c.156 (C.34:1B-288 through 34:1B-302); the "Food Desert Relief  
17 Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303  
18 through 34:1B-310); the "New Jersey Community-Anchored  
19 Development Act," sections 43 through 53 of P.L.2020, c.156  
20 (C.34:1B-311 through 34:1B-321); the "New Jersey Aspire Program  
21 Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322  
22 through 34:1B-335); the "Emerge Program Act," sections 68 through  
23 81 of P.L.2020, c.156 (C.34:1B-336 et al.); and section 6 of P.L.2010,  
24 c.57 (C.34:1B-209.4) shall not exceed an overall cap of \$11.5 billion  
25 over a nine-year period, subject to the conditions and limitations set  
26 forth in this section. Of this \$11.5 billion, \$2.5 billion shall be  
27 reserved for transformative projects approved under the Aspire  
28 Program.

29 b. (1) The total value of tax credits awarded under any  
30 constituent program of the "New Jersey Economic Recovery Act of  
31 2020," P.L.2020, c.156 (C.34:1B-269 et al.) shall be subject to the  
32 following annual limitations, except as otherwise provided in  
33 subsection c. of this section:

34 (a) for tax credits awarded under the "Historic Property  
35 Reinvestment Act," sections 2 through 8 of P.L.2020, c.156  
36 (C.34:1B-270 through 34:1B-276), the total value of tax credits  
37 annually awarded during each of the first six years of the nine-year  
38 period shall not exceed \$50 million;

39 (b) for tax credits awarded under the "Brownfields  
40 Redevelopment Incentive Program Act," sections 9 through 19 of  
41 P.L.2020, c.156 (C.34:1B-277 through 34:1B-287), the total value of  
42 tax credits annually awarded during each of the first six years of the  
43 nine-year period shall not exceed \$50 million;

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AHO committee amendments adopted January 29, 2024.

1 (c) for tax credits awarded under the "New Jersey Innovation  
2 Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-  
3 288 through 34:1B-302), the total value of tax credits annually  
4 awarded during each of the first six years of the nine-year period shall  
5 not exceed \$60 million and the total value of tax credits awarded over  
6 the entirety of the nine-year period shall not exceed \$300,000,000;

7 (d) for tax credits awarded under the "Food Desert Relief Act,"  
8 sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through  
9 34:1B-310), the total value of tax credits annually awarded during  
10 each of the first six years of the nine-year period shall not exceed \$40  
11 million;

12 (e) for tax credits awarded under the "New Jersey Community-  
13 Anchored Development Act," sections 43 through 53 of P.L.2020,  
14 c.156 (C.34:1B-311 through 34:1B-321), the total value of tax credits  
15 annually awarded during each of the first six years of the nine-year  
16 period shall not exceed \$200 million, except that during each of the  
17 first six years of the nine-year period, the authority shall annually  
18 award tax credits valuing no greater than \$130 million for projects  
19 located in the 13 northern counties of the State, and the authority  
20 shall annually award tax credits valuing no greater than \$70 million  
21 for projects located in the eight southern counties of the State. If  
22 during any of the first six years of the nine-year period, the authority  
23 awards tax credits in an amount less than the annual limitation for  
24 projects located in northern counties or southern counties, as  
25 applicable, the uncommitted portion of the annual limitation shall be  
26 【available to be deployed by the authority in a subsequent year,  
27 provided that the uncommitted portion of tax credits shall be awarded  
28 for projects located in the applicable geographic area, except that (i)  
29 after the completion of the third year of the nine-year period, the  
30 authority may deploy 50 percent of the uncommitted portion of tax  
31 credits from any previous year without consideration to the county in  
32 which a project is located; and (ii) after the completion of the sixth  
33 year of the nine-year period, the authority may deploy all available  
34 tax credits, including the uncommitted portion of the annual  
35 limitation for any previous year, without consideration to the county  
36 in which a project is located】 reallocated to the New Jersey Housing  
37 and Mortgage Finance Agency, established pursuant to P.L.1983,  
38 c.530 (C.55:14K-1 et seq.), for the purposes authorized in  
39 P.L. , c. (C. ) (pending before the Legislature as this bill).  
40 Notwithstanding any provision of law or regulation to the contrary,  
41 the tax credits reallocated to the New Jersey Housing and Mortgage  
42 Finance Agency shall not be subject to any requirements or  
43 conditions of the "New Jersey Economic Recovery Act of 2020,"  
44 P.L.2020, c.156 (C.34:1B-269 et al.), as amended or supplemented;

45 (f) for tax credits awarded under the "New Jersey Aspire Program  
46 Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322  
47 through 34:1B-335), and the "Emerge Program Act," sections 68  
48 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), not including tax

1 credits awarded for transformative projects, the total value of tax  
2 credits annually awarded during each of the first six years of the nine-  
3 year period shall not exceed \$1.1 billion. If the authority awards tax  
4 credits in an amount less than the annual limitation, then the  
5 uncommitted portion of the annual limitation shall be made available  
6 for qualified offshore wind projects awarded under section 6 of  
7 P.L.2010, c.57 (C.34:1B-209.4), pursuant to subparagraph (h) of this  
8 paragraph, or New Jersey studio partners and New Jersey film-lease  
9 production companies awarded under sections 1 and 2 of P.L.2018,  
10 c.56 (C.54:10A-5.39b and C.54A:4-12b), pursuant to subparagraph  
11 (i) of this paragraph and subsection d. of this section. During each  
12 of the first six years of the nine-year period, the authority shall  
13 annually award tax credits valuing no greater than \$715 million for  
14 projects located in the northern counties of the State, and the  
15 authority shall annually award tax credits valuing no greater than  
16 \$385 million for projects located in the southern counties of the State  
17 under the "New Jersey Aspire Program Act," sections 54 through 67  
18 of P.L.2020, c.156 (C.34:1B-322 through 34:1B-335), and the  
19 "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156  
20 (C.34:1B-336 et al.). If during any of the first six years of the nine-  
21 year period, the authority awards tax credits under the "New Jersey  
22 Aspire Program Act," sections 54 through 67 of P.L.2020, c.156  
23 (C.34:1B-322 through 34:1B-335), and the "Emerge Program Act,"  
24 sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), in an  
25 amount less than the annual limitation for projects located in northern  
26 counties or southern counties, as applicable, the uncommitted portion  
27 of the annual limitation shall be available to be deployed by the  
28 authority in a subsequent year, provided that the uncommitted portion  
29 of tax credits shall be awarded for projects located in the applicable  
30 geographic area, except that (i) after the completion of the third year  
31 of the nine-year period, the authority may deploy 50 percent of the  
32 uncommitted portion of tax credits for any previous year without  
33 consideration to the county in which a project is located; and (ii) after  
34 the completion of the sixth year of the nine-year period, the authority  
35 may deploy all available tax credits, including the uncommitted  
36 portion of the annual limitation for any previous year, without  
37 consideration to the county in which a project is located;

38 (g) except as provided in subparagraph (j) of this paragraph, for  
39 tax credits awarded for transformative projects under the "New  
40 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,  
41 c.156 (C.34:1B-322 through 34:1B-335), the total value of tax credits  
42 awarded during the nine-year period shall not exceed \$2.5 billion.  
43 The total value of tax credits awarded for transformative projects in  
44 a given year shall not be subject to an annual limitation, except that  
45 the total value of tax credits awarded to any transformative project  
46 shall not exceed \$400 million;

47 (h) from the tax credits made available, pursuant to subparagraph  
48 (f) of this paragraph, to the "New Jersey Aspire Program Act,"

1 sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through  
2 34:1B-335), and the "Emerge Program Act," sections 68 through 81  
3 of P.L.2020, c.156 (C.34:1B-336 et al.), not including tax credits  
4 awarded for transformative projects, an amount not to exceed  
5 \$350,000,000 shall be made available for qualified offshore wind  
6 projects awarded a credit pursuant to section 6 of P.L.2010, c.57  
7 (C.34:1B-209.4) during the first three years of the nine-year period;

8 (i) beginning in fiscal year 2023, from the tax credits made  
9 available, pursuant to subparagraph (f) of this paragraph, to the "New  
10 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,  
11 c.156 (C.34:1B-322 through 34:1B-335), and the "Emerge Program  
12 Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.),  
13 not including tax credits awarded for transformative projects,  
14 additional amounts shall be made available for New Jersey studio  
15 partners and New Jersey film-lease production companies pursuant  
16 to sections 1 and 2 of P.L.2018, c.56 (C.54:10A-5.39b and C.54A:4-  
17 12b); and

18 (j) beginning in fiscal year 2024, from the tax credits made  
19 available, pursuant to subparagraph (f) of this paragraph, to the "New  
20 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,  
21 c.156 (C.34:1B-322 through 34:1B-335) and the "Emerge Program  
22 Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.),  
23 not including tax credits awarded for transformative projects, an  
24 amount not to exceed \$500,000,000 may be annually transferred for  
25 the award to transformative projects under the "New Jersey Aspire  
26 Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-  
27 322 through 34:1B-335), provided that: (i) the remaining allocation  
28 of tax credits otherwise available for transformative projects,  
29 pursuant to subparagraph (g) of this paragraph, is less than  
30 \$1,000,000,000; and (ii) the authority board determines that the  
31 transfer of tax credits is warranted based on such criteria as the  
32 authority deems appropriate, which may include the criteria set forth  
33 in paragraph (2) of this subsection. If a transfer of tax credits is made  
34 pursuant to this subparagraph, the authority shall award no greater  
35 than 65 percent of the tax credits transferred pursuant to this  
36 subparagraph to transformative projects located in the northern  
37 counties of the State and no greater than 35 percent of the tax credits  
38 transferred pursuant to this subparagraph to transformative projects  
39 located in the southern counties of the State.

40 (2) The authority may in any given year determine that it is in the  
41 State's interest to approve an amount of tax credits in excess of the  
42 annual limitations set forth in paragraph (1) of this subsection, but in  
43 no event more than \$200,000,000 in excess of the annual limitation,  
44 upon a determination by the authority board that such increase is  
45 warranted based on specific criteria that may include:

46 (i) the increased demand for opportunities to create or retain  
47 employment and investment in the State as indicated by the volume

- 1 of project applications and the amount of tax credits being sought by  
2 those applications;
- 3 (ii) the need to protect the State's economic position in the event  
4 of an economic downturn;
- 5 (iii) the quality of project applications and the net economic  
6 benefit to the State and municipalities associated with those  
7 applications;
- 8 (iv) opportunities for project applications to strengthen or protect  
9 the competitiveness of the State under the prevailing market  
10 conditions;
- 11 (v) enhanced access to employment and investment for  
12 underserved populations in distressed municipalities and qualified  
13 incentives tracts;
- 14 (vi) increased investment and employment in high-growth  
15 technology sectors and in projects that entail collaboration with  
16 education institutions in the State;
- 17 (vii) increased development proximate to mass transit  
18 facilities;
- 19 (viii) any other factor deemed relevant by the authority.
- 20 c. In the event that the authority in any year approves projects  
21 for tax credits in an amount less than the annual limitations set forth  
22 in paragraph (1) of subsection b. of this section, then the  
23 uncommitted portion of the annual limitation shall be available to be  
24 deployed by the authority in future years for projects under the same  
25 program; provided however, that in no event shall the aggregate  
26 amount of tax credits approved be in excess of the overall cap of  
27 \$11.5 billion, and in no event shall the uncommitted portion of the  
28 annual limitation for any previous year be deployed after the  
29 conclusion of the nine-year period.
- 30 d. Notwithstanding the provisions of any other law to the  
31 contrary, the uncommitted balance of the total value of tax credits  
32 authorized for award by the authority pursuant to subparagraph (f) of  
33 paragraph (1) of subsection b. of this section to the "New Jersey  
34 Aspire Program Act," sections 54 through 67 of P.L.2020, c.156  
35 (C.34:1B-322 et seq.), and the "Emerge Program Act," sections 68  
36 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), shall be made  
37 available for tax credits allowed to New Jersey studio partners and  
38 New Jersey film-lease production companies pursuant to sections 1  
39 and 2 of P.L.2018, c.56 (C.54:10A-5.39b and C.54A:4-12b). The  
40 value of tax credits, including tax credits allowed through the  
41 granting of tax credit transfer certificates, made available to New  
42 Jersey studio partners and New Jersey film-lease production  
43 companies pursuant to this subsection shall be as follows:
- 44 (1) in fiscal year 2023, \$250,000,000 for New Jersey studio  
45 partners and \$250,000,000 for New Jersey film-lease production  
46 companies;

(2) in fiscal year 2024, \$250,000,000 for New Jersey studio partners and \$250,000,000 for New Jersey film-lease production companies; and

(3) in fiscal year 2025, \$250,000,000 for New Jersey studio partners and \$250,000,000 for New Jersey film-lease production companies.

If the value of tax credits, including tax credits allowed through the granting of tax credit transfer certificates, approved to New Jersey studio partners and New Jersey film-lease production companies in any fiscal year pursuant to this subsection is less than the cumulative total amount of tax credits permitted to be approved in that fiscal year, the authority shall certify the amount of the remaining tax credits available for approval to each such category in that fiscal year, and shall increase the cumulative total amount of tax credits permitted to be approved for New Jersey studio partners and New Jersey film-lease production companies in the subsequent fiscal year by the certified amount remaining for each such category from the prior fiscal year.

(cf: P.L.2023, c.98, s.13) <sup>1</sup>

<sup>1</sup>1. Section 98 of P.L.2020, c.156 (C.34:1B-362) is amended to read as follows:

98. a. The combined value of all tax credits awarded under the "Historic Property Reinvestment Act," sections 2 through 8 of P.L.2020, c.156 (C.34:1B-270 through 34:1B-276); the "Brownfields Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through 34:1B-287); the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through 34:1B-302); the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through 34:1B-310); the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through 34:1B-321); the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through 34:1B-335); the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.); section 6 of P.L.2010, c.57 (C.34:1B-209.4) **[,]**; and the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C. ), shall not exceed an overall cap of \$11.5 billion over a nine-year period, subject to the conditions and limitations set forth in this section. Of this \$11.5 billion, \$2.5 billion shall be reserved for transformative projects approved under the Aspire Program.

b. (1) The total value of tax credits awarded under any constituent program of the "New Jersey Economic Recovery Act of 2020," P.L.2020, c.156 (C.34:1B-269 et al.) and the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C. ), subject to the following limitations, except as otherwise provided in subsection c. of this section:

1 (a) for tax credits awarded under the "Historic Property  
2 Reinvestment Act," sections 2 through 8 of P.L.2020, c.156  
3 (C.34:1B-270 through 34:1B-276), the total value of tax credits  
4 annually awarded during each of the first six years of the nine-year  
5 period shall not exceed \$50 million;

6 (b) for tax credits awarded under the "Brownfields  
7 Redevelopment Incentive Program Act," sections 9 through 19 of  
8 P.L.2020, c.156 (C.34:1B-277 through 34:1B-287), the total value of  
9 tax credits annually awarded during each of the first six years of the  
10 nine-year period shall not exceed \$50 million;

11 (c) for tax credits awarded under the "New Jersey Innovation  
12 Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-  
13 288 through 34:1B-302), the total value of tax credits annually  
14 awarded during each of the first six years of the nine-year period shall  
15 not exceed \$60 million and the total value of tax credits awarded over  
16 the entirety of the nine-year period shall not exceed \$300,000,000;

17 (d) for tax credits awarded under the "Food Desert Relief Act,"  
18 sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through  
19 34:1B-310), the total value of tax credits annually awarded during  
20 each of the first six years of the nine-year period shall not exceed \$40  
21 million;

22 (e) for tax credits awarded under the "New Jersey Community-  
23 Anchored Development Act," sections 43 through 53 of P.L.2020,  
24 c.156 (C.34:1B-311 through 34:1B-321), and the "Cultural Arts  
25 Incentives Program Act," P.L.2023, c.197 (C. ), the total value  
26 of tax credits awarded during the nine-year period shall not exceed  
27 \$1,200,000,000; provided, however, tax credits shall not be available  
28 under the "New Jersey Community-Anchored Development Act,"  
29 sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through  
30 34:1B-321), until January 1, 2026. Beginning January 1, 2026, the  
31 authority shall annually award tax credits under the "New Jersey  
32 Community-Anchored Development Act," sections 43 through 53 of  
33 P.L.2020, c.156 (C.34:1B-311 through 34:1B-321), valuing no  
34 greater than \$130 million for projects located in the 13 northern  
35 counties of the State, and the authority shall annually award tax  
36 credits valuing no greater than \$70 million for projects located in the  
37 eight southern counties of the State. If during any year of operation  
38 of the "New Jersey Community-Anchored Development Act,"  
39 sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through  
40 34:1B-321), the authority awards tax credits pursuant to the program  
41 in an amount less than the annual limitation for projects located in  
42 northern counties or southern counties, as applicable, the  
43 uncommitted portion of the annual limitation shall be [available to  
44 be deployed by the authority in a subsequent year without  
45 consideration to the county in which a project is located] reallocated  
46 to the New Jersey Housing and Mortgage Finance Agency,  
47 established pursuant to P.L.1983, c.530 (C.55:14K-1 et seq.), for the  
48 purposes authorized in P.L. , c. (C. ) (pending before the



1 Legislature as this bill). Notwithstanding any provision of law or  
2 regulation to the contrary, the tax credits reallocated to the New  
3 Jersey Housing and Mortgage Finance Agency shall not be subject to  
4 any requirements or conditions of the "New Jersey Economic  
5 Recovery Act of 2020," P.L.2020, c.156 (C.34:1B-269 et al.), as  
6 amended or supplemented;

7 (f) for tax credits awarded under the "New Jersey Aspire Program  
8 Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322  
9 through 34:1B-335), and the "Emerge Program Act," sections 68  
10 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), not including tax  
11 credits awarded for transformative projects, the total value of tax  
12 credits annually awarded during each of the first six years of the nine-  
13 year period shall not exceed \$1.1 billion. If the authority awards tax  
14 credits in an amount less than the annual limitation, then the  
15 uncommitted portion of the annual limitation shall be made available  
16 for qualified offshore wind projects awarded under section 6 of  
17 P.L.2010, c.57 (C.34:1B-209.4), pursuant to subparagraph (h) of this  
18 paragraph, or New Jersey studio partners and New Jersey film-lease  
19 production companies awarded under sections 1 and 2 of P.L.2018,  
20 c.56 (C.54:10A-5.39b and C.54A:4-12b), pursuant to subparagraph  
21 (i) of this paragraph and subsection d. of this section. During each  
22 of the first six years of the nine-year period, the authority shall  
23 annually award tax credits valuing no greater than \$715 million for  
24 projects located in the northern counties of the State, and the  
25 authority shall annually award tax credits valuing no greater than  
26 \$385 million for projects located in the southern counties of the State  
27 under the "New Jersey Aspire Program Act," sections 54 through 67  
28 of P.L.2020, c.156 (C.34:1B-322 through 34:1B-335), and the  
29 "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156  
30 (C.34:1B-336 et al.). If during any of the first six years of the nine-  
31 year period, the authority awards tax credits under the "New Jersey  
32 Aspire Program Act," sections 54 through 67 of P.L.2020, c.156  
33 (C.34:1B-322 through 34:1B-335), and the "Emerge Program Act,"  
34 sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), in an  
35 amount less than the annual limitation for projects located in northern  
36 counties or southern counties, as applicable, the uncommitted portion  
37 of the annual limitation shall be available to be deployed by the  
38 authority in a subsequent year, provided that the uncommitted portion  
39 of tax credits shall be awarded for projects located in the applicable  
40 geographic area, except that (i) after the completion of the third year  
41 of the nine-year period, the authority may deploy 50 percent of the  
42 uncommitted portion of tax credits for any previous year without  
43 consideration to the county in which a project is located; and (ii) after  
44 the completion of the sixth year of the nine-year period, the authority  
45 may deploy all available tax credits, including the uncommitted  
46 portion of the annual limitation for any previous year, without  
47 consideration to the county in which a project is located;

1 (g) except as provided in subparagraph (j) of this paragraph, for  
2 tax credits awarded for transformative projects under the "New  
3 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,  
4 c.156 (C.34:1B-322 through 34:1B-335), the total value of tax credits  
5 awarded during the nine-year period shall not exceed \$2.5 billion.  
6 The total value of tax credits awarded for transformative projects in  
7 a given year shall not be subject to an annual limitation, except that  
8 the total value of tax credits awarded to any transformative project  
9 shall not exceed \$400 million;

10 (h) from the tax credits made available, pursuant to subparagraph  
11 (f) of this paragraph, to the "New Jersey Aspire Program Act,"  
12 sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through  
13 34:1B-335), and the "Emerge Program Act," sections 68 through 81  
14 of P.L.2020, c.156 (C.34:1B-336 et al.), not including tax credits  
15 awarded for transformative projects, an amount not to exceed  
16 \$350,000,000 shall be made available for qualified offshore wind  
17 projects awarded a credit pursuant to section 6 of P.L.2010, c.57  
18 (C.34:1B-209.4) during the first three years of the nine-year period;

19 (i) beginning in fiscal year 2023, from the tax credits made  
20 available, pursuant to subparagraph (f) of this paragraph, to the "New  
21 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,  
22 c.156 (C.34:1B-322 through 34:1B-335), and the "Emerge Program  
23 Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.),  
24 not including tax credits awarded for transformative projects,  
25 additional amounts shall be made available for New Jersey studio  
26 partners and New Jersey film-lease production companies pursuant  
27 to sections 1 and 2 of P.L.2018, c.56 (C.54:10A-5.39b and C.54A:4-  
28 12b); and

29 (j) beginning in fiscal year 2024, from the tax credits made  
30 available, pursuant to subparagraph (f) of this paragraph, to the "New  
31 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,  
32 c.156 (C.34:1B-322 through 34:1B-335) and the "Emerge Program  
33 Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.),  
34 not including tax credits awarded for transformative projects, an  
35 amount not to exceed \$500,000,000 may be annually transferred for  
36 the award to transformative projects under the "New Jersey Aspire  
37 Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-  
38 322 through 34:1B-335), provided that: (i) the remaining allocation  
39 of tax credits otherwise available for transformative projects,  
40 pursuant to subparagraph (g) of this paragraph, is less than  
41 \$1,000,000,000; and (ii) the authority board determines that the  
42 transfer of tax credits is warranted based on such criteria as the  
43 authority deems appropriate, which may include the criteria set forth  
44 in paragraph (2) of this subsection. If a transfer of tax credits is made  
45 pursuant to this subparagraph, the authority shall award no greater  
46 than 65 percent of the tax credits transferred pursuant to this  
47 subparagraph to transformative projects located in the northern  
48 counties of the State and no greater than 35 percent of the tax credits

1 transferred pursuant to this subparagraph to transformative projects  
2 located in the southern counties of the State.

3 (2) The authority may in any given year determine that it is in the  
4 State's interest to approve an amount of tax credits in excess of the  
5 annual limitations set forth in paragraph (1) of this subsection, but in  
6 no event more than \$200,000,000 in excess of the annual limitation,  
7 upon a determination by the authority board that such increase is  
8 warranted based on specific criteria that may include:

9 (i) the increased demand for opportunities to create or retain  
10 employment and investment in the State as indicated by the volume  
11 of project applications and the amount of tax credits being sought by  
12 those applications;

13 (ii) the need to protect the State's economic position in the event  
14 of an economic downturn;

15 (iii) the quality of project applications and the net economic  
16 benefit to the State and municipalities associated with those  
17 applications;

18 (iv) opportunities for project applications to strengthen or protect  
19 the competitiveness of the State under the prevailing market  
20 conditions;

21 (v) enhanced access to employment and investment for  
22 underserved populations in distressed municipalities and qualified  
23 incentives tracts;

24 (vi) increased investment and employment in high-growth  
25 technology sectors and in projects that entail collaboration with  
26 education institutions in the State;

27 (vii) increased development proximate to mass transit facilities;

28 (viii) any other factor deemed relevant by the authority.

29 c. In the event that the authority in any year approves projects  
30 for tax credits in an amount less than the annual limitations set forth  
31 in paragraph (1) of subsection b. of this section, then the  
32 uncommitted portion of the annual limitation shall be available to be  
33 deployed by the authority in future years for projects under the same  
34 program; provided however, that in no event shall the aggregate  
35 amount of tax credits approved be in excess of the overall cap of  
36 \$11.5 billion, and in no event shall the uncommitted portion of the  
37 annual limitation for any previous year be deployed after the  
38 conclusion of the nine-year period.

39 d. Notwithstanding the provisions of any other law to the  
40 contrary, the uncommitted balance of the total value of tax credits  
41 authorized for award by the authority pursuant to subparagraph (f) of  
42 paragraph (1) of subsection b. of this section to the "New Jersey  
43 Aspire Program Act," sections 54 through 67 of P.L.2020, c.156  
44 (C.34:1B-322 et seq.), and the "Emerge Program Act," sections 68  
45 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), shall be made  
46 available for tax credits allowed to New Jersey studio partners and  
47 New Jersey film-lease production companies pursuant to sections 1  
48 and 2 of P.L.2018, c.56 (C.54:10A-5.39b and C.54A:4-12b). The

1 value of tax credits, including tax credits allowed through the  
2 granting of tax credit transfer certificates, made available to New  
3 Jersey studio partners and New Jersey film-lease production  
4 companies pursuant to this subsection shall be as follows:

5 (1) in fiscal year 2023, \$250,000,000 for New Jersey studio  
6 partners and \$250,000,000 for New Jersey film-lease production  
7 companies;

8 (2) in fiscal year 2024, \$250,000,000 for New Jersey studio  
9 partners and \$250,000,000 for New Jersey film-lease production  
10 companies; and

11 (3) in fiscal year 2025, \$250,000,000 for New Jersey studio  
12 partners and \$250,000,000 for New Jersey film-lease production  
13 companies.

14 If the value of tax credits, including tax credits allowed through  
15 the granting of tax credit transfer certificates, approved to New Jersey  
16 studio partners and New Jersey film-lease production companies in  
17 any fiscal year pursuant to this subsection is less than the cumulative  
18 total amount of tax credits permitted to be approved in that fiscal  
19 year, the authority shall certify the amount of the remaining tax  
20 credits available for approval to each such category in that fiscal year,  
21 and shall increase the cumulative total amount of tax credits  
22 permitted to be approved for New Jersey studio partners and New  
23 Jersey film-lease production companies in the subsequent fiscal year  
24 by the certified amount remaining for each such category from the  
25 prior fiscal year.<sup>1</sup>

26 (cf: P.L.2023, c.197, s.13)

27  
28 2. (New section) As used in sections 2 through 5 of P.L. , c.  
29 (C. ) (pending before the Legislature as this bill):

30 “Agency” means the New Jersey Housing and Mortgage Finance  
31 Agency, established pursuant to P.L.1983, c.530 (C.55:14K-1 et  
32 seq.).

33 “Director” means the Director of the Division of Taxation in the  
34 Department of the Treasury.

35 “Low income housing tax credit” means a tax credit provided  
36 through the federal Low Income Housing Tax Credit program  
37 pursuant to section 42 of the Internal Revenue Code (26 U.S.C. s.42).

38 “Project financing gap” means the same as the term is defined in  
39 section 55 of P.L.2020, c.156 (C.34:1B-323).

40 “Qualified project” means a housing project that satisfies all  
41 eligibility requirements, as determined by the agency, for the receipt  
42 of a nine-percent low income housing tax credit, notwithstanding the  
43 availability or unavailability of such funds.

44  
45 3. (New section) a. Notwithstanding any provision of law or  
46 regulation to the contrary, the agency may award the total amount of  
47 tax credits allocated to the agency pursuant to subparagraph (e) of

1 paragraph (1) of subsection b. of section 98 of P.L.2020, c.156  
2 (C.34:1B-362) in accordance with the provisions of this section.

3 b. The agency may award project financing tax credits to the  
4 developers of qualified projects, which tax credits shall supplement  
5 the value of any four-percent low income housing tax credits  
6 previously awarded to the developer for the qualified project, subject  
7 to the provisions of section 4 of P.L. , c. (C. ) (pending before  
8 the Legislature as this bill).

9 c. In addition to any other eligibility requirements that the  
10 agency may deem appropriate, the tax credits authorized under this  
11 section shall be available to any developer of a qualified project that:

12 (1) received a four-percent low income housing tax credit for the  
13 qualified project from the agency due to the total demand for nine-  
14 percent low income housing tax credits exceeding the total value of  
15 such tax credits available for distribution by the agency, as made  
16 available to the agency pursuant to section 42 of the Internal Revenue  
17 Code of 1986 (26 U.S.C. s.42); and

18 (2) demonstrates the existence of a project financing gap for the  
19 qualified project.

20 d. The total value of tax credits awarded to a developer shall  
21 equal the lesser of:

22 (1) the amount necessary to ensure that the qualified project  
23 receives a total subsidy in an amount equivalent to the receipt of a  
24 nine-percent low-income housing tax credit for the qualified project;  
25 or

26 (2) the amount of the project financing gap for the qualified  
27 project.

28 e. (1) All tax credits authorized pursuant to this section shall be  
29 awarded upon application to the agency, which applications shall be  
30 submitted in a form and manner prescribed by the agency.  
31 Notwithstanding any provision of law or regulation to the contrary,  
32 the agency may award some or all of the tax credits authorized under  
33 this section as part of an existing program operated by the agency on  
34 or before the effective date of P.L. , c. (C. ) (pending before  
35 the Legislature as this bill) or through the establishment of a new  
36 program to effectuate the provisions of P.L. , c. (C. )  
37 (pending before the Legislature as this bill).

38 (2) Upon approval of any application for tax credits pursuant to  
39 this section, and upon the satisfaction of such additional requirements  
40 as the agency deems appropriate, the agency shall provide the tax  
41 credit recipient and the director with a certificate of compliance  
42 indicating the amount of tax credits that the recipient may apply  
43 against the recipient's tax liability, subject to the provisions of  
44 section 4 of P.L. , c. (C. ) (pending before the Legislature as  
45 this bill).

46  
47 4. (New section) a. The tax credits issued by the agency  
48 pursuant to section 3 of P.L. , c. (C. ) (pending before the

1 Legislature as this bill) may be applied against a developer's tax  
2 liability under section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2  
3 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of  
4 P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. To claim the tax  
5 credit amount for a privilege period, the developer shall submit to the  
6 director the certificate of compliance issued by the agency pursuant  
7 to paragraph (2) of subsection e. of section 3 of P.L. , c. (C. )  
8 (pending before the Legislature as this bill).

9 b. (1) The director shall prescribe the order of priority of the  
10 application of the tax credit allowed under this section, together with  
11 any other credits allowed by law, against the tax imposed under  
12 section 5 of P.L.1945, c.162 (C.54:10A-5) for a privilege period. The  
13 amount of the tax credit applied under this section against the tax  
14 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for a  
15 privilege period, together with any other credits allowed by law, shall  
16 not reduce the tax liability to an amount less than the statutory  
17 minimum provided in subsection (e) of section 5 of P.L.1945, c.162  
18 (C.54:10A-5).

19 (2) A developer may carry forward any unused tax credit  
20 resulting from the limitations of paragraph (1) of this subsection or  
21 from the insufficiency of a tax liability, as applicable, for use in the  
22 five privilege periods next following the privilege period for which  
23 the credits are awarded.

24 (3) Credits granted to a partnership shall be passed through to the  
25 partners, members, or owners, respectively, pro-rata, or pursuant to  
26 an executed agreement among the partners, members, or owners  
27 documenting an alternate distribution method provided to the director  
28 accompanied by any additional information as the director may  
29 prescribe.

30 c. (1) A developer may apply to the director and the agency for  
31 a tax credit transfer certificate, covering one or more years, in lieu of  
32 the developer being allowed any amount of the credit against the tax  
33 liability of the developer. An application for a tax credit transfer  
34 certificate shall not be approved unless the agency affirmatively  
35 determines, based on such considerations as the agency deems  
36 appropriate, that the sale or assignment of the tax credit transfer  
37 certificate is socially beneficial to the State.

38 (2) Upon approval of a developer's application for a tax credit  
39 transfer certificate, and upon receipt thereof by the developer from  
40 the director and the agency, the tax credit transfer certificate may be  
41 sold or assigned, in full or in part, for an amount not less than  
42 \$25,000, in the privilege period during which the developer receives  
43 the tax credit transfer certificate to another person, who may apply  
44 the credit against a tax liability pursuant to section 5 of P.L.1945,  
45 c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-  
46 2 and C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or  
47 N.J.S.17B:23-5, subject to the carry-forward authorizations set forth  
48 in paragraph (2) of subsection b. of this section. The certificate

1 provided to the developer shall include a statement waiving the  
2 developer's right to claim the amount of the tax credit that the  
3 developer has elected to sell or assign against the developer's tax  
4 liability.

5 (3) The developer shall not sell or assign, including a collateral  
6 assignment, a tax credit transfer certificate allowed under this section  
7 for consideration received by the developer of less than 85 percent of  
8 the transferred credit amount before considering any further  
9 discounting to present value that shall be permitted.

10 (4) A purchaser or assignee of a tax credit transfer certificate  
11 pursuant to this section shall not make any subsequent transfers,  
12 assignments, or sales of the tax credit transfer certificate.

13

14 5. (New section) Notwithstanding the provisions of the  
15 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
16 seq.) to the contrary, the agency may adopt, immediately, upon filing  
17 with the Office of Administrative Law, such rules and regulations as  
18 the agency deems necessary to implement the provisions of P.L. ,  
19 c. (C. ) (pending before the Legislature as this bill), which  
20 regulations shall be effective for a period not to exceed 180 days from  
21 the date of the filing. Thereafter, the agency shall amend, adopt, or  
22 readopt the regulations in accordance with the requirements of the  
23 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
24 seq.).

25

26 6. This act shall take effect immediately.