

SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 4437

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 1, 2026

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 4437.

As amended and reported, this bill authorizes any political subdivision of the State, when granting an economic development subsidy, as specified in the bill, to condition the grant proceeds upon the grantee's promise to enter into a community benefits agreement. The bill defines "community benefits agreement" to mean a legally binding contract concerning a specific project that requires the developer or recipient of the economic development subsidy to make specific contributions for the benefit of the community, which may include financial contributions, in-kind contributions, workforce development initiatives, or other project-related community benefits expressly identified in the agreement. A contractor or subcontractor is to be responsible under the bill only for those obligations expressly incorporated into the contractor's or subcontractor's written contract, consistent with applicable State and federal law. These contributions may include, but are not limited to, provisions related to local hiring, area wage and benefits standards, or engaging local businesses for the provision of goods and services.

COMMITTEE AMENDMENTS:

The committee amended the bill to specify, under the definition of "community benefit agreement," that an agreement requires developers or recipients of the economic development subsidy to make contributions to the community, which may include financial contributions, in addition to in-kind contributions, workforce development initiatives, or other project-related community benefits in the agreement. The amendments further specify that a contractor or subcontractor is to be responsible only for obligations in the contractor's or subcontractor's written contract.