

[Fourth Reprint]

## **ASSEMBLY, No. 3213**

# **STATE OF NEW JERSEY**

## **216th LEGISLATURE**

INTRODUCED MAY 15, 2014

**Sponsored by:**

**Assemblyman LOUIS D. GREENWALD**

**District 6 (Burlington and Camden)**

**Assemblywoman SHAVONDA E. SUMTER**

**District 35 (Bergen and Passaic)**

**Co-Sponsored by:**

**Senator Lesniak**

**SYNOPSIS**

“Economic Opportunity Act of 2014, Part 3.”

**CURRENT VERSION OF TEXT**

As amended by the Senate on June 26, 2014.



**(Sponsorship Updated As Of: 6/27/2014)**

1 AN ACT concerning incentives for certain economic development  
2 projects and designated as the Economic Opportunity Act of  
3 2014, Part 3, <sup>4</sup>~~supplementing P.L.1974, c.80 (C.34:1B-1 et~~  
4 ~~seq.)~~,<sup>2</sup> and<sup>4</sup> amending <sup>3</sup>~~supplementing P.L.2008, c.46,~~<sup>2</sup><sup>3</sup> P.L.2009, c.90  
5 <sup>1</sup>~~and~~,<sup>1</sup> P.L.2011, c.149<sup>1</sup>, and P.L.2013, c.161<sup>1</sup> <sup>4</sup>, and  
6 ~~supplementing P.L.1974, c.80 (C.34:1B-1 et seq.)~~<sup>4</sup>.

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

10  
11 1. Section 33 of P.L.2009, c.90 (C.34:1B-209.1) is amended to  
12 read as follows:

13 33. A business may apply to the Director of the Division of  
14 Taxation in the Department of the Treasury and the executive  
15 director of the authority for a tax credit transfer certificate, covering  
16 one or more years, in lieu of the business being allowed any amount  
17 of the credit against the tax liability of the business. The tax credit  
18 transfer certificate, upon receipt thereof by the business from the  
19 director and the executive director of the authority, may be sold or  
20 assigned, in full or in part, in an amount not less than **[\$100,000]**  
21 ~~\$25,000~~ of tax credits **],** although one transfer in each tax period  
22 may be in an amount less than \$100,000<sup>1</sup> to any other person that  
23 may have a tax liability pursuant to section 5 of P.L.1945, c.162  
24 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132  
25 (C.54:18A-2 and 54:18A-3), pursuant to section 1 of P.L.1950,  
26 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5. The certificate  
27 provided to the business shall include a statement waiving the  
28 business's right to claim that amount of the credit against the taxes  
29 that the business has elected to sell or assign. The sale or  
30 assignment of any amount of a tax credit transfer certificate allowed  
31 under this section shall not be exchanged for consideration received  
32 by the business of less than 75 percent of the transferred credit  
33 amount before considering any further discounting to present value  
34 which shall be permitted. Any amount of a tax credit transfer  
35 certificate used by a purchaser or assignee against a tax liability  
36 shall be subject to the same limitations and conditions that apply to  
37 the use of the credit by the business that originally applied for and  
38 was allowed the credit.

39 (cf: P.L.2013, c.161, s.5)

40  
41 2. Section 2 of P.L.2011, c.149 (C.34:1B-243) is amended to  
42 read as follows:

**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 ACE committee amendments adopted June 5, 2014.

<sup>2</sup>Assembly AAP committee amendments adopted June 23, 2014.

<sup>3</sup>Assembly floor amendments adopted June 23, 2014.

<sup>4</sup>Senate floor amendments adopted June 26, 2014.

1       2. As used in P.L.2011, c.149 (C.34:1B-242 et seq.):

2       "Affiliate" means an entity that directly or indirectly controls, is  
3 under common control with, or is controlled by the business.  
4 Control exists in all cases in which the entity is a member of a  
5 controlled group of corporations as defined pursuant to section 1563  
6 of the Internal Revenue Code of 1986 (26 U.S.C.s.1563) or the  
7 entity is an organization in a group of organizations under common  
8 control as defined pursuant to subsection (b) or (c) of section 414 of  
9 the Internal Revenue Code of 1986 (26 U.S.C.s.414). A taxpayer  
10 may establish by clear and convincing evidence, as determined by  
11 the Director of the Division of Taxation in the Department of the  
12 Treasury, that control exists in situations involving lesser  
13 percentages of ownership than required by those statutes. An  
14 affiliate of a business may contribute to meeting either the qualified  
15 investment or full-time employee requirements of a business that  
16 applies for a credit under section 3 of P.L.2007, c.346 (C.34:1B-  
17 209).

18       "Authority" means the New Jersey Economic Development  
19 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

20       "Aviation district" means the area within a one-mile radius of the  
21 outermost boundary of the "Atlantic City International Airport,"  
22 established pursuant to section 24 of P.L.1991, c.252 (C.27:25A-  
23 24).

24       "Business" means an applicant proposing to own or lease  
25 premises in a qualified business facility that is:

26       a corporation that is subject to the tax imposed pursuant to  
27 section 5 of P.L.1945, c.162 (C.54:10A-5);

28       a corporation that is subject to the tax imposed pursuant to  
29 sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and 54:18A-3),  
30 section 1 of P.L.1950, c.231 (C.17:32-15) or N.J.S.17B:23-5;

31       a partnership;

32       an S corporation;

33       a limited liability company; or

34       a non-profit corporation.

35       If the business or tenant is a cooperative or part of a cooperative,  
36 then the cooperative may qualify for credits by counting the full-  
37 time employees and capital investments of its member  
38 organizations, and the cooperative may distribute credits to its  
39 member organizations. If the business or tenant is a cooperative  
40 that leases to its member organizations, the lease shall be treated as  
41 a lease to an affiliate or affiliates.

42       A business shall include an affiliate of the business if that  
43 business applies for a credit based upon any capital investment  
44 made by or full-time employees of an affiliate.

45       <sup>2</sup>[A business shall include any owner of a partnership or an S  
46 corporation that is a business.]<sup>2</sup>

1 "Capital investment" in a qualified business facility means  
2 expenses by a business or any affiliate of the business incurred after  
3 application for:

4 a. <sup>1</sup>["site acquisition, if purchased within 24 months prior to  
5 project application,"<sup>1</sup> site preparation and construction, repair,  
6 renovation, improvement, equipping, or furnishing on real property  
7 or of a building, structure, facility, or improvement to real property;

8 b. obtaining and installing furnishings and machinery,  
9 apparatus, or equipment, including but not limited to material goods  
10 subject to bonus depreciation under sections 168 and 179 of the  
11 federal Internal Revenue Code (26 U.S.C. s.168 and s.179), for the  
12 operation of a business on real property or in a building, structure,  
13 facility, or improvement to real property;

14 c. receiving Highlands Development Credits under the  
15 Highlands Transfer Development Rights Program authorized  
16 pursuant to section 13 of P.L.2004, c.120 (C.13:20-13); or

17 d. any of the foregoing.

18 In addition to the foregoing, in a Garden State Growth Zone, the  
19 following qualify as a capital investment: any and all  
20 'development,'<sup>1</sup> redevelopment and relocation costs, including, but  
21 not limited to, site acquisition if made within 24 months of  
22 application to the authority, engineering, legal, accounting, and  
23 other professional services required; and relocation, environmental  
24 remediation, and infrastructure improvements for the project area,  
25 including, but not limited to, on- and off-site utility, road, pier,  
26 wharf, bulkhead, or sidewalk construction or repair.

27 In addition to the foregoing, if a business acquires or leases a  
28 qualified business facility, the capital investment made or acquired  
29 by the seller or owner, as the case may be, if pertaining primarily to  
30 the premises of the qualified business facility, shall be considered a  
31 capital investment by the business and, if pertaining generally to the  
32 qualified business facility being acquired or leased, shall be  
33 allocated to the premises of the qualified business facility on the  
34 basis of the gross leasable area of the premises in relation to the  
35 total gross leasable area in the qualified business facility. The  
36 capital investment described herein may include any capital  
37 investment made or acquired within 24 months prior to the date of  
38 application so long as the amount of capital investment made or  
39 acquired by the business, any affiliate of the business, or any owner  
40 after the date of application equals at least 50 percent of the amount  
41 of capital investment, allocated to the premises of the qualified  
42 business facility being acquired or leased on the basis of the gross  
43 leasable area of such premises in relation to the total gross leasable  
44 area in the qualified business facility made or acquired prior to the  
45 date of application.

46 "Commitment period" means the period of time that is 1.5 times  
47 the eligibility period.

1 "Deep poverty pocket" means a population census tract having a  
2 poverty level of 20 percent or more, and which is located within the  
3 qualified incentive area and has been determined by the authority to  
4 be an area appropriate for development and in need of economic  
5 development incentive assistance.

6 "Disaster recovery project" means a project located on property  
7 that has been wholly or substantially damaged or destroyed as a  
8 result of a federally-declared disaster which, after utilizing all  
9 disaster funds available from federal, State, county, and local  
10 funding sources, demonstrates to the satisfaction of the authority  
11 that access to additional funding authorized pursuant to the "New  
12 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161  
13 (C.52:27D-489p et al.), is necessary to complete such  
14 redevelopment project, and which is located within the qualified  
15 incentive area and has been determined by the authority to be in an  
16 area appropriate for development and in need of economic  
17 development incentive assistance.

18 "Distressed municipality" means a municipality that is qualified  
19 to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a  
20 municipality under the supervision of the Local Finance Board  
21 pursuant to the provisions of the "Local Government Supervision  
22 Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality  
23 identified by the Director of the Division of Local Government  
24 Services in the Department of Community Affairs to be facing  
25 serious fiscal distress, a SDA municipality, or a municipality in  
26 which a major rail station is located.

27 "Eligibility period" means the period in which a business may  
28 claim a tax credit under the Grow New Jersey Assistance Program,  
29 beginning with the tax period in which the authority accepts  
30 certification of the business that it has met the capital investment  
31 and employment requirements of the Grow New Jersey Assistance  
32 Program and extending thereafter for a term of not more than 10  
33 years, with the term to be determined solely at the discretion of the  
34 applicant.

35 "Eligible position" or "full-time job" means a full-time position  
36 in a business in this State which the business has filled with a full-  
37 time employee.

38 "Full-time employee" means a person:

39 a. who is employed by a business for consideration for at least  
40 35 hours a week, or who renders any other standard of service  
41 generally accepted by custom or practice as full-time employment,  
42 or

43 b. who is employed by a professional employer organization  
44 pursuant to an employee leasing agreement between the business  
45 and the professional employer organization, in accordance with  
46 P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or  
47 who renders any other standard of service generally accepted by  
48 custom or practice as full-time employment, and whose wages are

1 subject to withholding as provided in the "New Jersey Gross  
2 Income Tax Act," N.J.S.54A:1-1 et seq., or

3 c. who is a resident of another State but whose income is not  
4 subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
5 et seq. or who is a partner of a business who works for the  
6 partnership for at least 35 hours a week, or who renders any other  
7 standard of service generally accepted by custom or practice as full-  
8 time employment, and whose distributive share of income, gain,  
9 loss, or deduction, or whose guaranteed payments, or any  
10 combination thereof, is subject to the payment of estimated taxes, as  
11 provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
12 et seq., and

13 d. who is provided, by the business, with employee health  
14 benefits under a health benefits plan authorized pursuant to State or  
15 federal law.

16 With respect to a logistics, manufacturing, energy, defense,  
17 aviation, or maritime business, excluding primarily warehouse or  
18 distribution operations, located in a port district having a container  
19 terminal:

20 the requirement that employee health benefits are to be provided  
21 shall be deemed to be satisfied if such benefits are provided in  
22 accordance with industry practice by a third party obligated to  
23 provide such benefits pursuant to a collective bargaining agreement;

24 full-time employment shall include, but not be limited to,  
25 employees that have been hired by way of a labor union hiring hall  
26 or its equivalent;

27 35 hours of employment per week at a qualified business facility  
28 shall constitute one "full-time employee," regardless of whether or  
29 not the hours of work were performed by one or more persons.

30 For any project located in a Garden State Growth Zone which  
31 qualifies under the "Municipal Rehabilitation and Economic  
32 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or any  
33 project located in the Atlantic City Tourism District as established  
34 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated  
35 by the Casino Reinvestment Development Authority, and which  
36 will include a retail facility of at least 150,000 square feet, of which  
37 at least 50 percent will be occupied by either a full-service  
38 supermarket or grocery store, [the authority shall accept a standard  
39 of service generally accepted by custom or practice as full-time  
40 employment in a supermarket, grocery store, or other like retail  
41 industry] 30 hours of employment per week at a qualified business  
42 facility shall constitute one "full-time employee," regardless of  
43 whether or not the hours of work were performed by one or more  
44 persons, and the requirement that employee health benefits are to be  
45 provided shall be deemed to be satisfied if the employees of the  
46 business are covered by a collective bargaining agreement.

47 "Full-time employee" shall not include any person who works as  
48 an independent contractor or on a consulting basis for the business.

1 "Garden State Growth Zone" or "growth zone" means the four  
2 New Jersey cities with the lowest median family income based on  
3 the 2009 American Community Survey from the US Census, (Table  
4 708. Household, Family, and Per Capita Income and Individuals,  
5 and Families Below Poverty Level by City: 2009).

6 "Highlands development credit receiving area or redevelopment  
7 area" means an area located within a qualified incentive area and  
8 designated by the Highlands <sup>4</sup>Water Protection and Planning<sup>4</sup>  
9 Council for the receipt of Highlands Development Credits under the  
10 Highlands Transfer Development Rights Program authorized  
11 pursuant to section 13 of P.L.2004, c.120 (C.13:20-13).

12 "Incentive agreement" means the contract between the business  
13 and the authority, which sets forth the terms and conditions under  
14 which the business shall be eligible to receive the incentives  
15 authorized pursuant to the program.

16 "Incentive effective date" means the date the authority issues a  
17 tax credit based on documentation submitted by a business pursuant  
18 to paragraph (1) of subsection b. of section 6 of P.L.2011, c.149  
19 (C.34:1B-247).

20 "Major rail station" means a railroad station located within a  
21 qualified incentive area which provides access to the public to a  
22 minimum of six rail passenger service lines operated by the New  
23 Jersey Transit Corporation.

24 "Mega project" means:

25 a. a qualified business facility located in a port district housing  
26 a business in the logistics, manufacturing, energy, defense, or  
27 maritime industries, either:

28 (1) having a capital investment in excess of \$20,000,000, and at  
29 which more than 250 full-time employees of such business are  
30 created or retained, or

31 (2) at which more than 1,000 full-time employees of such  
32 business are created or retained;

33 b. a qualified business facility located in an aviation district  
34 housing a business in the aviation industry, in a Garden State  
35 Growth Zone, or in a priority area housing the United States  
36 headquarters and related facilities of an automobile manufacturer,  
37 either:

38 (1) having a capital investment in excess of \$20,000,000, and at  
39 which more than 250 full-time employees of such business are  
40 created or retained, or

41 (2) at which more than 1,000 full-time employees of such  
42 business are created or retained; <sup>1</sup>**[or]**<sup>1</sup>

43 c. a qualified business facility located in an urban transit hub  
44 housing a business of any kind, having a capital investment in  
45 excess of \$50,000,000, and at which more than 250 full-time  
46 employees of a business are created or retained<sup>1</sup>; <sup>4</sup>or<sup>4</sup>

47 d. <sup>4</sup>[a qualified business facility housing the corporate  
48 headquarters of a business of any kind having a capital investment

1 in excess of \$50,000,000, and at which more than 250 full-time  
2 employees of <sup>2</sup>~~such~~ the<sup>2</sup> business are created; or  
3 e.]<sup>4</sup> a project located in an area designated in need of  
4 redevelopment <sup>4</sup>, pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.)<sup>4</sup>  
5 prior to the enactment of P.L. , c. (C. ) (pending before the  
6 Legislature as this bill) within Atlantic, Burlington, Camden, Cape  
7 May, Cumberland, Gloucester, Ocean, or Salem counties having a  
8 capital investment in excess of \$20,000,000, and at which more  
9 than 150 full-time employees of <sup>2</sup>~~such~~ a<sup>2</sup> business are created or  
10 retained<sup>1</sup>.

11 "Minimum environmental and sustainability standards" means  
12 standards established by the authority in accordance with the green  
13 building manual prepared by the Commissioner of Community  
14 Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6),  
15 regarding the use of renewable energy, energy-efficient technology,  
16 and non-renewable resources in order to reduce environmental  
17 degradation and encourage long-term cost reduction.

18 "Moderate-income housing" means housing affordable,  
19 according to United States Department of Housing and Urban  
20 Development or other recognized standards for home ownership  
21 and rental costs, and occupied or reserved for occupancy by  
22 households with a gross household income equal to more than 50  
23 percent but less than 80 percent of the median gross household  
24 income for households of the same size within the housing region in  
25 which the housing is located.

26 "Municipal Revitalization Index" means the 2007 index by the  
27 Office for Planning Advocacy within the Department of State  
28 measuring or ranking municipal distress.

29 "New full-time job" means an eligible position created by the  
30 business at the qualified business facility that did not previously  
31 exist in this State. For the purposes of determining a number of  
32 new full-time jobs, the eligible positions of an affiliate shall be  
33 considered eligible positions of the business.

34 "Other eligible area" means the portions of the qualified  
35 incentive area that are not located within a distressed municipality,  
36 or the priority area.

37 "Partnership" means an entity classified as a partnership for  
38 federal income tax purposes.

39 "Port district" means the portions of a qualified incentive area  
40 that are located within:

41 a. the <sup>4</sup>~~port district~~ "Port of New York District"<sup>4</sup> of the Port  
42 Authority of New York and New Jersey, as defined in Article II of  
43 the Compact Between the States of New York and New Jersey of  
44 1921; or

45 b. a 15-mile radius of the outermost boundary of each marine  
46 terminal facility established, acquired, constructed, rehabilitated, or  
47 improved by the South Jersey Port District established pursuant to



1 "The South Jersey Port Corporation Act," P.L.1968, c.60  
2 (C.12:11A-1 et seq.).

3 "Priority area" means the portions of the qualified incentive area  
4 that are not located within a distressed municipality and which:

5 a. are designated pursuant to the "State Planning Act,"  
6 P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1  
7 (Metropolitan), Planning Area 2 (Suburban), a designated center  
8 under the State Development and Redevelopment Plan, or a  
9 designated growth center in an endorsed plan until June 30, 2013, or  
10 until the State Planning Commission revises and readopts New  
11 Jersey's State Strategic Plan and adopts regulations to revise this  
12 definition;

13 b. intersect with portions of: a deep poverty pocket, a port  
14 district, or federally-owned land approved for closure under a  
15 federal <sup>4</sup>Commission on<sup>4</sup> Base Realignment <sup>4</sup>【Closing  
16 Commission】 and Closure<sup>4</sup> action;

17 c. are the proposed site of a disaster recovery project, a  
18 qualified incubator facility, a highlands development credit  
19 receiving area or redevelopment area, a tourism destination project,  
20 or transit oriented development; or

21 d. contain: a vacant commercial building having over 400,000  
22 square feet of office, laboratory, or industrial space available for  
23 occupancy for a period of over one year; or a site that has been  
24 negatively impacted by the approval of a "qualified business  
25 facility," as defined pursuant to section 2 of P.L.2007, c.346  
26 (C.34:1B-208).

27 "Professional employer organization" means an employee leasing  
28 company registered with the Department of Labor and Workforce  
29 Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

30 "Program" means the "Grow New Jersey Assistance Program"  
31 established pursuant to section 3 of P.L.2011, c.149 (C.34:1B-244).

32 "Qualified business facility" means any building, complex of  
33 buildings or structural components of buildings, and all machinery  
34 and equipment located within a qualified incentive area, used in  
35 connection with the operation of a business that is not engaged in  
36 final point of sale retail business at that location unless the building,  
37 complex of buildings or structural components of buildings, and all  
38 machinery and equipment located within a qualified incentive area,  
39 are used in connection with the operation of:

40 a. a final point of sale retail business located in a Garden State  
41 Growth Zone that will include a retail facility of at least 150,000  
42 square feet, of which at least 50 percent is occupied by either a full-  
43 service supermarket or grocery store; or

44 b. a tourism destination project located in the Atlantic City  
45 Tourism District as established pursuant to section 5 of P.L.2011,  
46 c.18 (C.5:12-219).

47 "Qualified incentive area" means:

48 a. an aviation district;

- 1       b. a port district;
- 2       c. a distressed municipality or urban transit hub municipality;
- 3       d. an area (1) designated pursuant to the "State Planning Act,"
- 4 P.L.1985, c.398 (C.52:18A-196 et seq.), as:
- 5       (a) Planning Area 1 (Metropolitan);
- 6       (b) Planning Area 2 (Suburban); or
- 7       (c) Planning Area 3 (Fringe Planning Area);
- 8       (2) located within a smart growth area and planning area
- 9 designated in a master plan adopted by the New Jersey
- 10 Meadowlands Commission pursuant to subsection (i) of section 6 of
- 11 P.L.1968, c.404 (C.13:17-6) or subject to a redevelopment plan
- 12 adopted by the New Jersey Meadowlands Commission pursuant to
- 13 section 20 of P.L.1968, c.404 (C.13:17-21);
- 14       (3) located within any land owned by the New Jersey Sports and
- 15 Exposition Authority, established pursuant to P.L.1971, c.137
- 16 (C.5:10-1 et seq.), within the boundaries of the Hackensack
- 17 Meadowlands District as delineated in section 4 of P.L.1968, c.404
- 18 (C.13:17-4);
- 19       (4) located within a regional growth area, town, village, or a
- 20 military and federal installation area designated in the
- 21 comprehensive management plan prepared and adopted by the
- 22 Pinelands Commission pursuant to the "Pinelands Protection Act,"
- 23 P.L.1979, c.111 (C.13:18A-1 et seq.);
- 24       (5) located within the planning area of the Highlands Region as
- 25 defined in section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands
- 26 development credit receiving area or redevelopment area;
- 27       (6) located within a Garden State Growth Zone;
- 28       (7) located within land approved for closure under any federal
- 29 <sup>4</sup>Commission on<sup>4</sup> Base <sup>4</sup>**["Closure and"]**<sup>4</sup> Realignment
- 30 <sup>4</sup>**["Commission"] and Closure**<sup>4</sup> action; or
- 31       (8) located only within the following portions of the areas
- 32 designated pursuant to the "State Planning Act," P.L.1985, c.398
- 33 (C.52:18A-196 et al.), as Planning Area 4A (Rural Planning Area),
- 34 Planning Area 4B (Rural/Environmentally Sensitive) or Planning
- 35 Area 5 (Environmentally Sensitive) if Planning Area 4A (Rural
- 36 Planning Area), Planning Area 4B (Rural/Environmentally
- 37 Sensitive) or Planning Area 5 (Environmentally Sensitive) is
- 38 located within:
- 39       (a) a designated center under the State Development and
- 40 Redevelopment Plan;
- 41       (b) a designated growth center in an endorsed plan until the
- 42 State Planning Commission revises and readopts New Jersey's State
- 43 Strategic Plan and adopts regulations to revise this definition as it
- 44 pertains to Statewide planning areas;
- 45       (c) any area determined to be in need of redevelopment pursuant
- 46 to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-
- 47 6) or in need of rehabilitation pursuant to section 14 of P.L.1992,
- 48 c.79 (C.40A:12A-14);

1 (d) any area on which a structure exists or previously existed  
2 including any desired expansion of the footprint of the existing or  
3 previously existing structure provided such expansion otherwise  
4 complies with all applicable federal, State, county, and local  
5 permits and approvals;

6 (e) the planning area of the Highlands Region as defined in  
7 section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands  
8 development credit receiving area or redevelopment area; or

9 (f) any area on which an existing tourism destination project is  
10 located.

11 "Qualified incentive area" shall not include any property located  
12 within the preservation area of the Highlands Region as defined in  
13 <sup>4</sup>~~the "Highlands Water Protection and Planning Act,"~~ section 3  
14 of<sup>4</sup> P.L.2004, c.120 <sup>4</sup>~~(C.13:20-1 et al.)~~ (C.13:20-3)<sup>4</sup>.

15 "Qualified incubator facility" means a commercial building  
16 located within a qualified incentive area: which contains  
17 <sup>1</sup>~~100,000~~ 50,000<sup>1</sup> or more square feet of office, laboratory, or  
18 industrial space; which is located near, and presents opportunities  
19 for collaboration with, a research institution, teaching hospital,  
20 college, or university; and within which, at least <sup>1</sup>~~75~~ 50<sup>1</sup> percent  
21 of the gross leasable area is restricted for use by one or more  
22 technology startup companies during the commitment period.

23 "Retained full-time job" means an eligible position that currently  
24 exists in New Jersey and is filled by a full-time employee but  
25 which, because of a potential relocation by the business, is at risk of  
26 being lost to another state or country, or eliminated. For the  
27 purposes of determining a number of retained full-time jobs, the  
28 eligible positions of an affiliate shall be considered eligible  
29 positions of the business. <sup>1</sup>For the purposes of the certifications  
30 and annual reports required <sup>2</sup>~~pursuant to~~ in<sup>2</sup> the incentive  
31 agreement <sup>2</sup>~~in~~ pursuant to<sup>2</sup> subsection e. of section 4 of P.L.2011,  
32 c.149 (C.34:1B-245), to the extent an eligible position that was the  
33 basis of the award no longer exists, a business shall include as a  
34 retained full-time job a new eligible position that is filled by a full-  
35 time employee provided that the position is included in the order of  
36 date of hire and is not the basis for any other incentive award. For a  
37 project located in a Garden State Growth Zone which qualified for  
38 the "Municipal Rehabilitation and Economic Recovery Act,"  
39 P.L.2002, c.43 (C.52:27BBB-1 et al.), retained full-time job shall  
40 include any employee previously employed in New Jersey and  
41 transferred to the new location in the Garden State Growth Zone  
42 which qualified for the "Municipal Rehabilitation and Economic  
43 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.).<sup>1</sup>

44 "SDA district" means an SDA district as defined in section 3 of  
45 P.L.2000, c.72 (C.18A:7G-3).

46 "SDA municipality" means a municipality in which an SDA  
47 district is situate.

1 "Targeted industry" means any industry identified from time to  
2 time by the authority including initially, a transportation,  
3 manufacturing, defense, energy, logistics, life sciences, technology,  
4 health, and finance business, but excluding a primarily warehouse  
5 or distribution business.

6 "Technology startup company" means a for profit business that  
7 has been in operation fewer than five years and is developing or  
8 possesses a proprietary technology or business method of a high-  
9 technology or life science-related product, process, or service which  
10 the business intends to move to commercialization.

11 "Tourism destination project" means a qualified business facility  
12 that will be among the most visited privately owned or operated  
13 tourism or recreation sites in the State, and which is located within  
14 the qualified incentive area and has been determined by the  
15 authority to be in an area appropriate for development and in need  
16 of economic development incentive assistance.

17 "Transit oriented development" means a qualified business  
18 facility located within a 1/2-mile radius, or one-mile radius for  
19 projects located in a Garden State Growth Zone, surrounding the  
20 mid-point of a New Jersey Transit Corporation, Port Authority  
21 Transit Corporation, or Port Authority Trans-Hudson Corporation  
22 rail, bus, or ferry station platform area, including all light rail  
23 stations.

24 "Urban transit hub" means an urban transit hub, as defined in  
25 section 2 of P.L.2007, c.346 (C.34:1B-208), that is located within  
26 an eligible municipality, as defined in section 2 of P.L.2007, c.346  
27 (C.34:1B-208) and also located within a qualified incentive area.

28 "Urban transit hub municipality" means a municipality: a. which  
29 qualifies for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et  
30 seq.), or which has continued to be a qualified municipality  
31 thereunder pursuant to P.L.2007, c.111; and b. in which 30 percent  
32 or more of the value of real property was exempt from local  
33 property taxation during tax year 2006. The percentage of exempt  
34 property shall be calculated by dividing the total exempt value by  
35 the sum of the net valuation which is taxable and that which is tax  
36 exempt.

37 (cf: P.L.2013, c.161, s.7)

38

39 3. Section 3 of P.L.2011, c.149 (C.34:1B-244) is amended to  
40 read as follows:

41 3. a. The Grow New Jersey Assistance Program is hereby  
42 established as a program under the jurisdiction of the New Jersey  
43 Economic Development Authority and shall be administered by the  
44 authority. The purpose of the program is to encourage economic  
45 development and job creation and to preserve jobs that currently  
46 exist in New Jersey but which are in danger of being relocated  
47 outside of the State. To implement this purpose, the program may

1 provide tax credits to eligible businesses for an eligibility period not  
2 to exceed 10 years.

3 To be eligible for any tax credits pursuant to P.L.2011, c.149  
4 (C.34:1B-242 et al.), a business's chief executive officer or  
5 equivalent officer shall demonstrate to the authority, at the time of  
6 application, that:

7 (1) the business, expressly including its landlord or seller, will  
8 make, acquire, or lease a capital investment equal to, or greater  
9 than, the applicable amount set forth in subsection b. of this section  
10 at a qualified business facility at which it will:

11 (a) retain full-time jobs in an amount equal to or greater than the  
12 applicable number set forth in subsection c. of this section;

13 (b) create new full-time jobs in an amount equal to or greater  
14 than the applicable number set forth in subsection c. of this section;  
15 or

16 (c) in combination, retain full-time jobs and create new full-time  
17 jobs in an amount equal to or greater than the applicable number set  
18 forth in subsection c. of this section;

19 (2) the qualified business facility shall be constructed in  
20 accordance with the minimum environmental and sustainability  
21 standards;

22 (3) the capital investment resultant from the award of tax credits  
23 and the resultant retention and creation of full-time jobs will yield a  
24 net positive benefit to the State **[,] 'and to the municipality'**<sup>1</sup>  
25 equaling at least 110 percent of the requested tax credit allocation  
26 amount, which determination is calculated prior to taking into  
27 account the value of the requested tax credit and shall be based on  
28 the benefits generated during the first 20 years following the  
29 completion of the project, except that:

30 (a) for a mega project or a project located in a Garden State  
31 Growth Zone, the determination shall be based on the benefits  
32 generated during a period of up to 30 years following the  
33 completion of the project, as determined by the authority, and  
34 **except that,**

35 (b) for a project located in a Garden State Growth Zone which  
36 qualified for the "Municipal Rehabilitation and Economic Recovery  
37 Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), the net positive benefit  
38 determination shall be based on the benefits generated during a  
39 period of up to 35 years following completion of the project, as  
40 determined by the authority, and shall equal at least 100 percent of  
41 the requested tax credit allocation amount and may utilize the value  
42 of those property taxes subject to the provisions of section 24 of  
43 P.L.2013 c.161 **<sup>4</sup>[(C.52:27D-489r)] (C.52:27D-489s)<sup>4</sup>** and  
44 incremental sales and excise taxes that are derived from activities  
45 within the area and which are rebated or retained by the  
46 municipality pursuant to the "New Jersey Urban Enterprise Zones  
47 Act," P.L.1983, c.303 (C.52:27H-60 et seq.) or any other law  
48 providing for such rebate or retention **<sup>1</sup>[, and**

(c) for a project undertaken by a non-profit corporation, the net positive benefit determination shall be calculated prior to taking into account the value of the requested tax credit and the value of exemptions pursuant to R.S.54:4-3.6, subsection (b) of section 9 of P.L.1966, c.30 (C.54:32B-9), and section 3 of P.L.1945, c.162 (C.54:10A-3)]<sup>1</sup>; and

(4) except as provided in subsection f. of this section, the award of tax credits will be a material factor in the business's decision to create or retain the minimum number of new or retained full-time jobs for eligibility under the program.

With respect to the provisions of paragraph (3) of this subsection, in the case of a project located in a Garden State Growth Zone, the authority, in its discretion, may award bonuses in its net positive benefit calculation.

b. <sup>2</sup>[The] For all projects approved after the effective date of P.L.2013, c.161, the<sup>2</sup> minimum capital investment required to be eligible under this program shall be as follows:

(1) for the rehabilitation, improvement, fit-out, or retrofit of an existing industrial<sup>1</sup>, warehousing, logistics, <sup>2</sup>or<sup>2</sup> research <sup>2</sup>[, or] and<sup>2</sup> development<sup>1</sup> premises for continued <sup>1</sup>[industrial] similar<sup>1</sup> use by the business <sup>2</sup>in at least <sup>4</sup>[51%] 51 percent<sup>4</sup> of the gross leasable area of the premises<sup>2</sup>, a minimum investment of \$20 per square foot of gross leasable area;

(2) for the new construction of an industrial <sup>1</sup>, warehousing, logistics, <sup>2</sup>or<sup>2</sup> research <sup>2</sup>[, or] and<sup>2</sup> development<sup>1</sup> premises for <sup>1</sup>[industrial] similar<sup>1</sup> use by the business <sup>2</sup>in at least <sup>4</sup>[51%] 51 percent<sup>4</sup> of the gross leasable area of the premises<sup>2</sup>, a minimum investment of \$60 per square foot of gross leasable area;

(3) for the rehabilitation, improvement, fit-out, or retrofit of an existing <sup>1</sup>[non-industrial]<sup>1</sup> premises <sup>2</sup>[not used for industrial, warehousing, logistics, or research and development purposes<sup>1</sup> for continued]<sup>2</sup> <sup>1</sup>[non-industrial] <sup>2</sup>[similar<sup>1</sup> use by the business] that does not qualify pursuant to paragraphs (1) or (2) of this subsection<sup>2</sup>, a minimum investment of \$40 per square foot of gross leasable area; and

(4) for the new construction of a <sup>1</sup>[non-industrial]<sup>1</sup> premises <sup>2</sup>[not used for industrial, warehousing, logistics, or research and development purposes<sup>1</sup> for]<sup>2</sup> <sup>1</sup>[non-industrial] <sup>2</sup>[similar<sup>1</sup> use by the business] that does not qualify pursuant to paragraphs (1) or (2) of this subsection<sup>2</sup>, a minimum investment of \$120 per square foot of gross leasable area.

The minimum capital investment required by this subsection shall be reduced by one-third for projects located in a Garden State Growth Zone or projects located within Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, or Salem counties.

1 c. The minimum number of new or retained full-time jobs  
2 required to be eligible under this program shall be as follows:

3 (1) for a business that is a technology startup company or a  
4 manufacturing company, a minimum of 10 new or 25 retained full-  
5 time jobs;

6 (2) for a business engaged primarily in a targeted industry other  
7 than a technology startup company or a manufacturing company, a  
8 minimum of 25 new or 35 retained full-time jobs; and

9 (3) for any other business, a minimum of 35 new or 50 retained  
10 full-time jobs.

11 The minimum number of new or retained full-time jobs required  
12 by this subsection shall be reduced by one-quarter for projects  
13 located in a Garden State Growth Zone or projects located within  
14 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,  
15 Ocean, or Salem counties.

16 d. To assist the authority in determining whether a proposed  
17 capital investment will yield a net positive benefit, the business's  
18 chief executive officer, or equivalent officer, shall submit a  
19 certification to the authority indicating: (1) that any existing full-  
20 time jobs are at risk of leaving the State or being eliminated; (2)  
21 that any projected creation or retention, as applicable, of new full-  
22 time jobs would not occur but for the provision of tax credits under  
23 the program; and (3) that the business's chief executive officer, or  
24 equivalent officer, has reviewed the information submitted to the  
25 authority and that the representations contained therein are accurate,  
26 provided however, that in satisfaction of the provisions of  
27 paragraphs (1) and (2) of this subsection, the certification with  
28 respect to a project in a Garden State Growth Zone that qualifies  
29 under the "Municipal Rehabilitation and Economic Recovery Act,"  
30 P.L.2002, c.43 (C.52:27BBB-1 et al.), shall indicate that~~the~~ the  
31 provision of tax credits under the program is a material factor in the  
32 business decision to make a capital investment and locate in a  
33 Garden State Growth Zone that qualifies under the "Municipal  
34 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
35 (C.52:27BBB-1 et al.). In the event that this certification by the  
36 business's chief executive officer, or equivalent officer, is found to  
37 be willfully false, the authority may revoke any award of tax credits  
38 in their entirety, which revocation shall be in addition to any other  
39 criminal or civil penalties that the business and the officer may be  
40 subject to. When considering an application involving intra-State  
41 job transfers, the authority shall require the business to submit the  
42 following information as part of its application: a full economic  
43 analysis of all locations under consideration by the business; all  
44 lease agreements, ownership documents, or substantially similar  
45 documentation for the business's current in-State locations; and all  
46 lease agreements, ownership documents, or substantially similar  
47 documentation for the potential out-of-State location alternatives, to  
48 the extent they exist. Based on this information, and any other

1 information deemed relevant by the authority, the authority shall  
2 independently verify and confirm, by way of making a factual  
3 finding by separate vote of the authority's board, the business's  
4 assertion that the jobs are actually at risk of leaving the State, and  
5 as to the date or dates at which the authority expects that those jobs  
6 would actually leave the State, or, with respect to projects located in  
7 a Garden State Growth Zone that qualifies under the "Municipal  
8 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
9 (C.52:27BBB-1 et al.), the business's assertion that the provision of  
10 tax credits under the program is a material factor in the business's  
11 decision to make a capital investment and locate in a Garden State  
12 Growth Zone that qualifies under the "Municipal Rehabilitation and  
13 Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.),  
14 before a business may be awarded any tax credits under this section.

15 e. A project that consists solely of point-of-final-purchase  
16 retail facilities shall not be eligible for a grant of tax credits. If a  
17 project consists of both point-of-final-purchase retail facilities and  
18 non-retail facilities, only the portion of the project consisting of  
19 non-retail facilities shall be eligible for a grant of tax credits. <sup>1</sup>**[In]**  
20 For a qualified business facility that is a mixed-use project that  
21 includes retail facilities and that is located in<sup>1</sup> a Garden State  
22 Growth Zone or the Atlantic City Tourism District as established  
23 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated  
24 by the Casino Reinvestment Development Authority, <sup>1</sup>**[up to 7.5**  
25 **percent of]**<sup>1</sup> retail facilities <sup>1</sup>**[included in a mixed use project shall**  
26 **be eligible]** in an amount up to 7.5 percent of the mixed-use project  
27 may be included in the mixed-use project application<sup>1</sup> for a grant of  
28 tax credits along with the non-retail facilities <sup>1</sup>, and <sup>2</sup>**[such]** that<sup>2</sup>  
29 application may include in the aggregate the pro-rata number of  
30 full-time employees employed by any number of tenants or other  
31 occupants of the included retail facilities<sup>1</sup>. If a warehouse facility is  
32 part of a point-of-final-purchase retail facility and supplies only that  
33 facility, the warehouse facility shall not be eligible for a grant of tax  
34 credits. For the purposes of this section, a retail facility of at least  
35 150,000 square feet, of which at least 50 percent is occupied by a  
36 full-service supermarket or grocery store, located in a Garden State  
37 Growth Zone which qualified under the "Municipal Rehabilitation  
38 and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et  
39 al.), or a tourism destination project in the Atlantic City Tourism  
40 District as established pursuant to section 5 of P.L.2011, c.18  
41 (C.5:12-219), or catalog distribution centers shall not be considered  
42 point-of-final-purchase retail facilities.

43 f. The authority may determine as eligible for tax credits under  
44 the program any business that is required to respond to a request for  
45 proposals and to fulfill a contract with the federal government  
46 although the business's chief executive officer or equivalent officer  
47 has not demonstrated to the authority that the award of tax credits



1 will be a material factor in the business's decision to retain the  
2 minimum number of retained full-time jobs, as otherwise required  
3 by this section. The authority may, in its discretion, consider the  
4 economic benefit of the retained jobs servicing the contract in  
5 conducting a net benefit analysis required by paragraph (4) of  
6 subsection a. of this section. For the purposes of this subsection,  
7 "retained full-time jobs" includes jobs that are at risk of being  
8 eliminated. Applications to the authority for eligibility under the  
9 program pursuant to the criteria set forth in this subsection shall be  
10 completed by December 31, 2013. Submission of a proposal to the  
11 federal government prior to authority approval shall not disqualify a  
12 business from the program.

13 g. Nothing shall preclude a business from applying for tax  
14 credits under the program for more than one project pursuant to one  
15 or more applications.

16 (cf: P.L.2013, c.161, s.8)

17  
18 4. Section 5 of P.L.2011, c.149 (C.34:1B-246) is amended to  
19 read as follows:

20 5. a. The total amount of tax credit for an eligible business for  
21 each new or retained full-time job shall be as set forth in  
22 subsections b. through f. of this section. The total tax credit amount  
23 shall be calculated and credited to the business annually for each  
24 year of the eligibility period. Notwithstanding any other provisions  
25 of P.L.2013, c.161 (C.52:27D-489p et al.), a business may assign its  
26 ability to apply for the tax credit under this subsection to a non-  
27 profit organization with a mission dedicated to attracting investment  
28 and completing development and redevelopment projects in a  
29 Garden State Growth Zone. The non-profit organization<sup>1</sup> or  
30 organization operating a qualified incubator facility<sup>1</sup> may make an  
31 application on behalf of<sup>2</sup> [the] a<sup>2</sup> business which meets the  
32 requirements for the tax credit, or a group of non-qualifying  
33 businesses<sup>1</sup> or positions<sup>1</sup>,<sup>2</sup> [such]<sup>2</sup> that<sup>2</sup> [these will] shall<sup>2</sup> be  
34 considered a unified project for the purposes of the incentives  
35 provided under this section. For any project located in a Garden  
36 State Growth Zone that qualifies under the "Municipal  
37 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
38 (C.52:27BBB-1 et al.) and which will include a retail facility of at  
39 least 150,000 square feet, of which at least 50 percent will be  
40 occupied by either a full-service supermarket or grocery store, a  
41 business may assign its ability to apply for the tax credit under this  
42 subsection to the developer of the facility. The developer may  
43 make an application on behalf of the business which meets the  
44 requirements for the tax credit, or a group of non-qualifying  
45 businesses located at the business facility,<sup>2</sup> [such]<sup>2</sup> that<sup>2</sup> [these  
46 will] shall<sup>2</sup> be considered a unified project for the purposes of the  
47 incentives provided under this section, and the developer may apply

1 for tax credits available based on the number of jobs provided by  
2 the business or businesses and the total capital investment of the  
3 business or businesses and the developer.

4 b. The base amount of the tax credit for each new or retained  
5 full-time job shall be as follows:

6 (1) for a qualified business facility located within an urban  
7 transit hub municipality or Garden State Growth Zone or is a mega  
8 project, \$5,000 per year;

9 (2) for a qualified business facility located within a distressed  
10 municipality but not qualifying under paragraph (1) of this  
11 subsection, \$4,000 per year;

12 (3) for a project in a priority area, \$3,000 per year; and

13 (4) for a project in other eligible areas, \$500 per year.

14 c. In addition to the base amount of the tax credit, the amount  
15 of the tax credit to be awarded for each new or retained full-time  
16 job shall be increased if the qualified business facility meets any of  
17 the following priority criteria or other additional or replacement  
18 criteria determined by the authority from time to time in response to  
19 evolving economic or market conditions:

20 (1) for a qualified business facility located in a deep poverty  
21 pocket or in an area that is the subject of a Choice Neighborhoods  
22 Transformation Plan funded by the federal Department of Housing  
23 and Urban Development, an increase of \$1,500 per year;

24 (2) for a qualified business facility located in a qualified  
25 incubator facility, an increase of \$500 per year;

26 (3) for a qualified business facility located in a mixed-use  
27 development that incorporates sufficient moderate income housing  
28 on site to accommodate a minimum of 20 percent of the full-time  
29 employees of the business, an increase of \$500 per year;

30 (4) for a qualified business facility located within a transit  
31 oriented development, an increase of \$2,000 per year;

32 (5) for a qualified business facility, other than a mega project, at  
33 which the capital investment in industrial premises for industrial  
34 use by the business is in excess of the minimum capital investment  
35 required for eligibility pursuant to subsection b. of section 3 of  
36 P.L.2011, c.149 (C.34:1B-244), an increase of \$1,000 per year for  
37 each additional amount of investment that exceeds the minimum  
38 amount required for eligibility by 20 percent, with a maximum  
39 increase of \$3,000 per year;

40 (6) for a business with new full-time jobs and retained full-time  
41 jobs at the project with an average salary in excess of the existing  
42 average salary for the county in which the project is located, or, in  
43 the case of a project in a Garden State Growth Zone, a business that  
44 employs full-time positions at the project with an average salary in  
45 excess of the average salary for the Garden State Growth Zone, an  
46 increase of \$250 per year during the commitment period for each 35  
47 percent by which the project's average salary levels exceeds the

1 county or Garden State Growth Zone average salary, with a  
2 maximum increase of \$1,500 per year;

3 (7) for a business with large numbers of new full-time jobs and  
4 retained full-time jobs during the commitment period, the increases  
5 shall be in accordance with the following schedule:

6 (a) if the number of new full-time jobs and retained full-time  
7 jobs is between 251 and 400, \$500 per year;

8 (b) if the number of new full-time jobs and retained full-time  
9 jobs is between 401 and 600, \$750 per year;

10 (c) if the number of new full-time jobs and retained full-time  
11 jobs is between 601 and 800, \$1000 per year;

12 (d) if the number of new full-time jobs and retained full-time  
13 jobs is between 801 and 1,000, \$1,250 per year;

14 (e) if the number of new full-time jobs and retained full-time  
15 jobs is in excess of 1,000, \$1,500 per year;

16 (8) for a business in a targeted industry, an increase of \$500 per  
17 year;

18 (9) for a qualified business facility exceeding the Leadership in  
19 Energy and Environmental Design's "Silver" rating standards or  
20 completes substantial environmental remediation, an additional  
21 increase of \$250 per year;

22 (10) for a mega project or a project located within a Garden State  
23 Growth Zone at which the capital investment in industrial premises  
24 for industrial use by the business is in excess of the minimum  
25 capital investment required for eligibility pursuant to subsection b.  
26 of section 3 of P.L.2011, c.149 (C.34:1B-244), an increase of  
27 \$1,000 per year for each additional amount of investment that  
28 exceeds the minimum amount by 20 percent, with a maximum  
29 increase of \$5,000 per year;

30 (11) for a project in which a business retains at least 400 jobs  
31 and is located within the municipality in which it was located  
32 immediately prior to the filing of the application hereunder and is  
33 the United States headquarters of an automobile manufacturer, an  
34 increase of \$1,500 per year;

35 (12) for a project located in a municipality in Atlantic,  
36 Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean,  
37 and Salem counties with a 2007 Municipality Revitalization Index  
38 greater than 465, an increase of \$1,000 per year;

39 (13) for a project located within a half-mile of any light rail  
40 station constructed after the effective date of P.L.2013, c.161  
41 (C.52:27D-489p et al.), an increase of \$1,000 per year;

42 (14) for a marine terminal project in a municipality located  
43 outside the Garden State Growth Zone, but within the geographical  
44 boundaries of the South Jersey Port District, an increase of \$1,500  
45 per year;

46 (15) for a project located within an area determined to be in need  
47 of redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79  
48 (C.40A:12A-5 and C.40A:12A-6), and which is located within a

1 quarter mile of at least one United States Highway and at least two  
2 New Jersey State Highways, an increase of \$1,500 per year;  
3 <sup>2</sup>~~and~~<sup>2</sup>

4 (16) for a project that generates solar energy on site for use  
5 within the project of an amount that equals at least 50 percent of the  
6 project's electric supply service needs, an increase of \$250 per  
7 year <sup>2</sup>; and

8 (17) for a qualified business facility that includes a vacant  
9 commercial building having over 1,000,000 square feet of office or  
10 laboratory space available for occupancy for a period of over one  
11 year, an increase of \$1,000 per year<sup>2</sup>.

12 d. The gross amount of the tax credit for an eligible business  
13 for each new or retained full-time job shall be the sum of the base  
14 amount as set forth pursuant to subsection b. of this section and the  
15 various additional bonus amounts for which the business is eligible  
16 pursuant to subsection c. of this section, subject to the following  
17 limitations:

18 (1) for a mega project or a project in a Garden State Growth  
19 Zone, the gross amount for each new or retained full-time job shall  
20 not exceed \$15,000 per year;

21 (2) for a qualified business facility located within an urban  
22 transit hub municipality, the gross amount for each new or retained  
23 full-time job shall not exceed \$12,000 per year;

24 (3) for a qualified business facility in a distressed municipality  
25 the gross amount for each new or retained full-time job shall not  
26 exceed \$11,000 per year;

27 (4) for a qualified business facility in other priority areas, the  
28 gross amount for each new or retained full-time job shall not exceed  
29 \$10,500 per year;

30 (5) for a qualified business facility in other eligible areas, the  
31 gross amount for each new or retained full-time job shall not exceed  
32 \$6,000 per year; and

33 (6) for a disaster recovery project, the gross amount for each  
34 new or retained full-time job shall not exceed \$2,000 per year.

35 Notwithstanding anything to the contrary set forth herein and in  
36 the provisions of subsections a. through f. of this section, <sup>1</sup>~~but~~  
37 subject to <sup>2</sup>the provisions of<sup>2</sup> paragraph (1) of subsection f. of this  
38 section,<sup>1</sup> for a project located within a Garden State Growth Zone  
39 which qualifies for the "Municipal Rehabilitation and Economic  
40 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), <sup>1</sup>which  
41 creates 35 or more full-time jobs new to the municipality,<sup>1</sup> the total  
42 tax credit shall be:

43 (a) for a project which creates 35 or more <sup>1</sup>~~new or retained~~<sup>1</sup>  
44 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
45 investment of at least \$5,000,000, the total tax credit amount per  
46 full-time job shall be the greater of: (i) the total tax credit amount  
47 for a qualifying project in a Garden State Growth Zone as

- 1 calculated pursuant to subsections a. through f. of this section; or  
2 (ii) the total capital investment of the project divided by the total  
3 number of full-time jobs at that project but not greater than  
4 <sup>1</sup>~~["\$20,000,000"]~~ \$2,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
5 years<sup>1</sup>;
- 6 (b) for a project which creates 70 or more <sup>1</sup>~~["new or retained"]~~<sup>1</sup>  
7 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
8 investment of at least \$10,000,000, the total tax credit amount per  
9 full-time job shall be the greater of: (i) the total tax credit amount  
10 for a qualifying project in a Garden State Growth Zone as  
11 calculated pursuant to subsections a. through f. of this section; or  
12 (ii) the total capital investment of the project divided by the total  
13 number of full-time jobs at that project but not greater than  
14 <sup>1</sup>~~["\$30,000,000"]~~ \$3,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
15 years<sup>1</sup>;
- 16 (c) for a project which creates 100 or more <sup>1</sup>~~["new or retained"]~~<sup>1</sup>  
17 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
18 investment of at least \$15,000,000, the total tax credit amount per  
19 full-time job shall be the greater of: (i) the total tax credit amount  
20 for a qualifying project in a Garden State Growth Zone as  
21 calculated pursuant to subsections a. through f. of this section; or  
22 (ii) the total capital investment of the project divided by the total  
23 number of full-time jobs at that project but not greater than  
24 <sup>1</sup>~~["\$40,000,000"]~~ \$4,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
25 years<sup>1</sup>;
- 26 (d) for a project which creates 150 or more <sup>1</sup>~~["new or retained"]~~<sup>1</sup>  
27 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
28 investment of at least \$20,000,000, the total tax credit amount per  
29 full-time job shall be the greater of: (i) the total tax credit amount  
30 for a qualifying project in a Garden State Growth Zone as  
31 calculated pursuant to subsections a. through f. of this section; or  
32 (ii) the total capital investment of the project divided by the total  
33 number of full-time jobs at that project but not greater than  
34 <sup>1</sup>~~["\$50,000,000"]~~ \$5,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
35 years<sup>1</sup>; or
- 36 (e) for a project which creates 250 or more <sup>1</sup>~~["new or retained"]~~<sup>1</sup>  
37 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
38 investment of at least \$30,000,000, the total tax credit amount per  
39 full-time job shall be the greater of: (i) the total tax credit amount  
40 for a qualifying project in a Garden State Growth Zone as  
41 calculated pursuant to subsections a. through f. of this section; or  
42 (ii) the total capital investment of the project divided by the total  
43 number of full-time jobs as defined herein at that project <sup>1</sup>divided  
44 by the ten-year grant term<sup>1</sup>.
- 45 e. After the determination by the authority of the gross amount  
46 of tax credits for which a business is eligible pursuant to subsection

1 d. of this section, the final total tax credit amount shall be  
2 calculated as follows: (1) for each new full-time job, the business  
3 shall be allowed tax credits equaling 100 percent of the gross  
4 amount of tax credits for each new full-time job; and (2) for each  
5 retained full-time job, the business shall be allowed tax credits  
6 equaling <sup>2</sup>the lesser of<sup>2</sup> 50 percent of the gross amount of tax  
7 credits for each retained full-time job, <sup>2</sup>["but not greater than"] or<sup>2</sup>  
8 one-tenth of the capital investment divided by the number of  
9 <sup>2</sup>["each"] retained and new<sup>2</sup> full-time <sup>2</sup>["job"] jobs per year over the  
10 grant term of ten years<sup>2, 1</sup>,<sup>1</sup> unless the jobs are part of a mega project  
11 which is the United States headquarters of an automobile  
12 manufacturer located within a priority area or in a Garden State  
13 Growth Zone, in which case the business shall be entitled to tax  
14 credits equaling 100 percent of the gross amount of tax credits for  
15 each retained full-time job, or unless the new qualified business  
16 facility would replace a facility that has been wholly or  
17 substantially damaged as a result of a federally-declared disaster, in  
18 which case the business shall be entitled to tax credits equaling 100  
19 percent of the gross amount of tax credits for each retained full-time  
20 job.

21 f. Notwithstanding the provisions of subsections a. through e.  
22 of this section, for each application approved by the authority's  
23 board, the amount of tax credits available to be applied by the  
24 business annually shall not exceed:

25 (1) \$35,000,000 and provides a net benefit to the State as  
26 provided herein with respect to a qualified business facility in a  
27 Garden State Growth Zone which qualifies under the "Municipal  
28 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
29 (C.52:27BBB-1 et al.);

30 (2) \$30,000,000 and provides a net benefit to the State as  
31 provided herein with respect to a mega project or a qualified  
32 business facility in a Garden State Growth Zone;

33 (3) \$10,000,000 and provides a net benefit to the State as  
34 provided herein with respect to a qualified business facility in an  
35 urban transit hub municipality;

36 (4) \$8,000,000 and provides a net benefit to the State as  
37 provided herein with respect to a qualified business facility in a  
38 distressed municipality;

39 (5) \$4,000,000 and provides a net benefit to the State as  
40 provided herein with respect to a qualified business facility in other  
41 priority areas, but not more than 90 percent of the withholdings of  
42 the business from the qualified business facility; and

43 (6) \$2,500,000 and provides a net benefit to the State as  
44 provided herein with respect to a qualified business facility in other  
45 eligible areas, but not more than 90 percent of the withholdings of  
46 the business from the qualified business facility.

47 <sup>2</sup>Notwithstanding the foregoing provisions of paragraphs (5)  
48 and (6) of this subsection, the limitations on tax credits relating to

1 90 percent of the withholdings of the business from the qualified  
 2 business facility shall not apply to projects located in an area  
 3 determined to be in need of redevelopment pursuant to the "Local  
 4 Development and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
 5 seq.) or an "area in need of rehabilitation" as defined in section 3 of  
 6 P.L.1991, c.441 (C.40A:21-3).<sup>1</sup><sup>2</sup>

7 Under paragraphs (1) through (6) of this subsection, <sup>1</sup>with the  
 8 exception of a project located within a Garden State Growth Zone  
 9 which qualifies for the "Municipal Rehabilitation and Economic  
 10 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.) that divides  
 11 the total capital investment of the project by the total number of  
 12 full-time jobs at that project,<sup>1</sup> for each application for tax credits in  
 13 excess of \$4,000,000 annually, the amount of tax credits available  
 14 to be applied by the business annually shall be the lesser of the  
 15 maximum amount under the applicable subsection or an amount  
 16 determined by the authority necessary to complete the project, with  
 17 such determination made by the authority's utilization of a full  
 18 economic analysis of all locations under consideration by the  
 19 business; all lease agreements, ownership documents, or  
 20 substantially similar documentation for the business's current in-  
 21 State locations, as applicable; and all lease agreements, ownership  
 22 documents, or substantially similar documentation for the potential  
 23 out-of-State location alternatives, to the extent they exist. Based on  
 24 this information, and any other information deemed relevant by the  
 25 authority, the authority shall independently verify and confirm the  
 26 amount necessary to complete the project.

27 (cf: P.L.2013, c.161, s.10)

28  
 29 5. Section 6 of P.L.2011, c.149 (C.34:1B-247) is amended to  
 30 read as follows:

31 6. a. (1) The combined value of all credits approved by the  
 32 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) and  
 33 P.L.2011, c.149 (C.34:1B-242 et al.) prior to December 31, 2013  
 34 shall not exceed \$1,750,000,000, except as may be increased by the  
 35 authority as set forth in paragraph (5) of subsection a. of <sup>4</sup>section 35  
 36 of<sup>4</sup> P.L.2009, c.90 (C.34:1B-209.3). Following the enactment of  
 37 the "New Jersey Economic Opportunity Act of 2013," P.L.2013,  
 38 c.161 (C.52:27D-489p et al.), there shall be no monetary cap on the  
 39 value of credits approved by the authority attributable to the  
 40 program pursuant to the "New Jersey Economic Opportunity Act of  
 41 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

42 (2) (Deleted by amendment, P.L.2013, c.161).

43 (3) (Deleted by amendment, P.L.2013, c.161).

44 (4) (Deleted by amendment, P.L.2013, c.161).

45 (5) (Deleted by amendment, P.L.2013, c.161).

46 b. (1) A business shall submit an application for tax credits  
 47 prior to July 1, 2019. The authority shall not approve an application

1 for tax credits unless the application was submitted prior to July 1,  
2 2019.

3 (2) A business shall submit its documentation indicating that it  
4 has met the capital investment and employment requirements  
5 specified in the incentive agreement for certification of its tax credit  
6 amount within three years following the date of approval of its  
7 application by the authority. The authority shall have the discretion  
8 to grant two six-month extensions of this deadline. In no event  
9 shall the incentive effective date occur later than four years  
10 following the date of approval of an application by the authority.

11 (3) Full-time employment for an accounting or privilege period  
12 shall be determined as the average of the monthly full-time  
13 employment for the period.

14 (4) A business seeking a credit for a mega project shall apply for  
15 the credit within four years after the effective date of the "New  
16 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161  
17 (C.52:27D-489p et al.).

18 c. (1) In conducting its annual review, the authority may  
19 require a business to submit any information determined by the  
20 authority to be necessary and relevant to its review.

21 The credit amount for any tax period for which the  
22 documentation of a business' credit amount remains uncertified as  
23 of a date three years after the closing date of that period shall be  
24 forfeited, although credit amounts for the remainder of the years of  
25 the eligibility period shall remain available to it.

26 The credit amount <sup>2</sup>[that]<sup>2</sup> may be taken <sup>2</sup>[for a tax period of]  
27 by<sup>2</sup> the [business] <sup>2</sup>[tax certificate holder that exceeds the final  
28 liabilities of the]<sup>2</sup> [business] tax certificate holder for the tax  
29 period <sup>2</sup>for which it was issued or<sup>2</sup> may be carried forward for use  
30 by the [business] tax certificate holder in <sup>2</sup>any of<sup>2</sup> the next 20  
31 successive tax periods, and shall expire thereafter. <sup>2</sup>The tax  
32 certificate holder may transfer the tax credit amount on or after the  
33 date of issuance or at any time prior to its expiration for use by the  
34 transferee in the tax period for which it was issued or in any of the  
35 next 20 successive tax periods. Notwithstanding the foregoing, no  
36 more than the amount of tax credits equal to the total credit amount  
37 divided by the duration of the eligibility period in years may be  
38 taken in any tax period.<sup>2</sup>

39 (2) [A business that is] Credits granted to a partnership shall  
40 [not be allowed a credit under this section directly, but the amount  
41 of credit of an owner of a business shall be determined by allocating  
42 to each owner of the partnership that proportion of the credit of the  
43 business that is equal to the owner of the partnership's share,  
44 whether or not distributed, of the total distributive income or gain  
45 of the partnership for its tax period ending within or with the  
46 owner's tax period, or that proportion that is allocated by an  
47 agreement, if any, among the owners of the partnership that has



1 been] be passed through to the partners, members, or owners,  
2 respectively, pro-rata or pursuant to an executed agreement among  
3 the partners, members, or owners documenting an alternate  
4 distribution method provided to the Director of the Division of  
5 Taxation in the Department of the Treasury [by such time and]  
6 accompanied by [such] any additional information as the director  
7 may require.

8 (3) (a) The amount of credit allowed may be applied against the  
9 tax liability otherwise due pursuant to section 5 of P.L.1945, c.162  
10 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132  
11 (C.54:18A-2 and 54:18A-3), pursuant to section 1 of P.L.1950,  
12 c.231 (C.17:32-15), <sup>2</sup>[pursuant to N.J.S.54A:1-1 et seq.,]<sup>2</sup> or  
13 pursuant to N.J.S.17B:23-5.

14 (b) (i) For any project located in a Garden State Growth Zone  
15 <sup>2</sup>[or any mega project conducted] which is also a municipality  
16 which qualifies under the "Municipal Rehabilitation and Economic  
17 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and  
18 undertaken<sup>2</sup> by a <sup>2</sup>partnership or<sup>2</sup> corporation, if the corporation has  
19 made a valid election as a New Jersey S corporation pursuant to  
20 section 3 of P.L.1993, c.173 (C.54:10A-5.22), <sup>2</sup>the credit may be  
21 applied by the partners of the partnership or shareholders of the  
22 corporation against the tax liability otherwise due pursuant to  
23 N.J.S.54A:1-1 et seq., provided that<sup>2</sup> the amount of credit that may  
24 be used by <sup>2</sup>a partner of a partnership or<sup>2</sup> a shareholder of the  
25 corporation shall be determined by allocating to each <sup>2</sup>partner or<sup>2</sup>  
26 shareholder of the S corporation that proportion of the tax credit of  
27 the <sup>2</sup>partnership or<sup>2</sup> corporation that is equal to the <sup>2</sup>partner's or<sup>2</sup>  
28 shareholder's proportionate share of the <sup>2</sup>partnership or<sup>2</sup>  
29 corporation, whether or not distributed, or the total distributive  
30 income or gain of the <sup>2</sup>partnership or<sup>2</sup> S corporation for its tax  
31 period ending with or within the <sup>2</sup>partner's or<sup>2</sup> shareholder's tax  
32 period, and the credit may be applied by the <sup>2</sup>partners or<sup>2</sup>  
33 shareholders against the tax liability otherwise due pursuant to  
34 N.J.S.54A:1-1 et seq.

35 (ii) For purposes of this subparagraph (b), in the case of a  
36 corporation that has made a valid election as a New Jersey S  
37 corporation pursuant to section 3 of P.L.1993, c.173 (C.54:10A-  
38 5.22) and is recognized as a New Jersey Qualified Subchapter S  
39 Subsidiary (NJ-QSSS), as defined in N.J.A.C.18:7-20.2, as may be  
40 amended, the credit <sup>2</sup>[will] shall<sup>2</sup> be allocated to the parent  
41 shareholder corporation which shall allocate the credit among its  
42 shareholders in the manner described in subsubparagraph (i)  
43 <sup>2</sup>[above] of this subparagraph<sup>2</sup>.

44 (iii) For purposes of this subparagraph (b), if a parent  
45 shareholder corporation of a New Jersey Qualified Subchapter S  
46 Subsidiary (NJ-QSSS) is itself also a New Jersey Qualified

1 Subchapter S Subsidiary (NJ-QSSS), the parent shareholder  
2 corporation shall allocate the credit to its parent shareholder  
3 corporation that is a New Jersey S corporation, which may then  
4 allocate the credit among its shareholders in the manner described  
5 in subparagraph (i) <sup>4</sup>['above'] of this subparagraph<sup>4</sup> .

6 d. (1) If, in any tax period, the business reduces the total  
7 number of full-time employees in its Statewide workforce by more  
8 than 20 percent from the number of full-time employees in its  
9 Statewide workforce in the last tax period prior to the credit amount  
10 approval under section 3 of P.L.2011, c.149 (C.34:1B-244), then  
11 **['the business shall forfeit its']** <sup>1</sup>['there shall be a pro rata reduction  
12 of the business's'] the business shall forfeit its<sup>1</sup> credit amount for  
13 that tax period and each subsequent tax period, until the first tax  
14 period for which documentation demonstrating ['the restoration of']  
15 <sup>1</sup>'the restoration of<sup>1</sup> the business' Statewide workforce ['the  
16 threshold levels required by this paragraph'] <sup>1</sup>['has been restored to  
17 at least 80 percent of the number of full-time employees in its  
18 Statewide workforce in the last tax period prior to the credit amount  
19 approval'] to the threshold levels required by this paragraph<sup>1</sup> has  
20 been reviewed and approved by the authority, for which tax period  
21 and each subsequent tax period the full amount of the credit shall be  
22 allowed.

23 (2) If, in any tax period, the number of full-time employees  
24 employed by the business at the qualified business facility located  
25 within a qualified incentive area drops below 80 percent of the  
26 number of new and retained full-time jobs specified in the incentive  
27 agreement, then **['the business shall forfeit its']** <sup>1</sup>['there shall be a  
28 pro rata reduction of the business's tax'] the business shall forfeit  
29 its<sup>1</sup> credit amount for that tax period and each subsequent tax  
30 period, until the first tax period for which documentation  
31 demonstrating ['the restoration of'] <sup>1</sup>'the restoration of<sup>1</sup> the number  
32 of full-time employees employed by the business at the qualified  
33 business facility <sup>1</sup>['has been restored']<sup>1</sup> to <sup>1</sup>['at least']<sup>1</sup> 80 percent of  
34 the number of jobs specified in the incentive agreement <sup>1</sup>['has been  
35 reviewed and approved by the authority, for which tax period and  
36 each subsequent tax period the full amount of the tax credit shall be  
37 allowed']<sup>1</sup>.

38 (3) (a) If the qualified business facility is sold by the owner in  
39 whole or in part during the eligibility period, the new owner shall  
40 not acquire the capital investment of the seller and the seller shall  
41 forfeit all credits for the tax period in which the sale occurs and all  
42 subsequent tax periods, provided however that any credits of the  
43 business shall remain unaffected.

44 (b) In connection with a regional distribution facility of  
45 foodstuffs, the business entity or entities which own or lease such  
46 facility shall qualify as a business regardless of: (i) the type of the  
47 business entity or entities which own or lease such facility; (ii) the

1 ownership or leasing of such facility by more than one business  
2 entity; or (iii) the ownership of the business entity or entities which  
3 own or lease such facility. Such ownership or leasing, whether by  
4 members, shareholders, partners, or other owners of the business  
5 entity or entities, shall be treated as ownership or leasing by  
6 affiliates. Such members, shareholders, partners, or other  
7 ownership or leasing participants and others that are tenants in the  
8 facility shall be treated as affiliates for the purpose of counting the  
9 full-time employees and capital investments in the facility. The  
10 business entity or entities may distribute credits to members,  
11 shareholders, partners, or other ownership or leasing participants in  
12 accordance with their respective interests. If the business entity or  
13 entities or their members, shareholders, partners, or other ownership  
14 or leasing participants lease space in the facility to members,  
15 shareholders, partners, or other ownership or leasing participants or  
16 others as tenants in the facility, the leases shall be treated as a lease  
17 to an affiliate, and the business entity or entities shall not be subject  
18 to forfeiture of the credits. For the purposes of this section, leasing  
19 shall include subleasing and tenants shall include subtenants.

20 (4) <sup>4</sup>**[(a)] (a)**<sup>4</sup> For a project located within a Garden State  
21 Growth Zone, if, in any tax period, the number of full-time  
22 employees employed by the business at the qualified business  
23 facility located within a qualified incentive area increases above the  
24 number of full-time employees specified in the incentive agreement,  
25 then the business shall be entitled to an increased base credit  
26 amount for that tax period and each subsequent tax period, for each  
27 additional full-time employee added above the number of full-time  
28 employees specified in the incentive agreement, until the first tax  
29 period for which documentation demonstrating a reduction of the  
30 number of full-time employees employed by the business at the  
31 qualified business facility, at which time the tax credit amount will  
32 be adjusted accordingly pursuant to this section.

33 (b) For a project located within a Garden State Growth Zone  
34 which qualifies under the "Municipal Rehabilitation and Economic  
35 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and which  
36 qualifies for a tax credit pursuant to <sup>1</sup>subsubparagraph (ii) of<sup>1</sup>  
37 subparagraphs (a) through (e) of paragraph (6) of subsection d. of  
38 section 5 of P.L.2011, c.149 (C.34:1B-246), if, in any tax period the  
39 number of full-time employees employed by the business at the  
40 qualified business facility located within a qualified incentive area  
41 increases above the number of full-time employees specified in the  
42 incentive agreement such that the business <sup>2</sup>**[will]** <sup>2</sup>**shall**<sup>2</sup> then meet  
43 the minimum number of employees required in <sup>4</sup>**[subparagraph]**  
44 subparagraphs<sup>4</sup> (b), (c), (d), or (e) of paragraph (6) of subsection d.  
45 of section 5 of P.L.2011, c.149 (C.34:1B-246), then the authority  
46 shall recalculate the total tax credit amount per full-time job by  
47 using the <sup>1</sup>**[total]**<sup>1</sup> certified capital investment of the project

1 <sup>1</sup>allowable under the applicable subsubparagraph<sup>1</sup> and the number  
2 of full-time jobs certified on the date of the recalculation and  
3 applying those numbers to subparagraphs (b), (c), (d), or (e) of  
4 paragraph (6) of subsection d. of section 5 of P.L.2011, c.149  
5 (C.34:1B-246) <sup>1</sup>, until the first tax period for which documentation  
6 demonstrating a reduction of the number of full-time employees  
7 employed by the business at the qualified business facility, at which  
8 time the tax credit amount <sup>2</sup>~~will~~ shall<sup>2</sup> be adjusted accordingly  
9 pursuant to this section<sup>1</sup>. <sup>1</sup>[From the date of the recalculation  
10 through the end of the eligibility period, the annual tax credit for the  
11 business shall be the amount determined after the recalculation.]]<sup>1</sup>

12 e. The authority shall not enter into an incentive agreement  
13 with a business that has previously received incentives pursuant to  
14 the "Business Retention and Relocation Assistance Act," P.L.1996,  
15 c.25 (C.34:1B-112 et seq.), the "Business Employment Incentive  
16 Program Act," P.L.1996, c.26 (C.34:1B-124 et seq.), or any other  
17 program administered by the authority unless:

18 (1) the business has satisfied all of its obligations underlying the  
19 previous award of incentives or is compliant with section 4 of  
20 P.L.2011, c.149 (C.34:1B-245); or

21 (2) the capital investment incurred and new or retained full-time  
22 jobs pledged by the business in the new incentive agreement are  
23 separate and apart from any capital investment or jobs underlying  
24 the previous award of incentives.

25 f. A business which has already applied for a tax credit  
26 incentive award prior to the effective date of the "New Jersey  
27 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-  
28 489p et al.), but who has not yet been approved for such tax credits,  
29 or has not executed an agreement with the authority, may proceed  
30 under that application or seek to amend such application or reapply  
31 for a tax credit incentive award for the same project or any part  
32 thereof for the purpose of availing itself of any more favorable  
33 provisions of the program.  
34 (cf: P.L.2013, c.161, s.11)

35  
36 6. Section 7 of P.L.2011, c.149 (C.34:1B-248) is amended to  
37 read as follows:

38 7. A business may apply to the Director of the Division of  
39 Taxation in the Department of the Treasury and the chief executive  
40 officer of the authority for a tax credit transfer certificate, covering  
41 one or more years, in lieu of the business being allowed any amount  
42 of the credit against the tax liability of the business. The tax credit  
43 transfer certificate, upon receipt thereof by the business from the  
44 director and the chief executive officer of the authority, may be sold  
45 or assigned, in full or in part, in an amount not less than \$25,000, to  
46 any other person that may have a tax liability pursuant to section 5  
47 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of  
48 P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), pursuant to section 1

1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.  
2 The certificate provided to the business shall include a statement  
3 waiving the business's right to claim that amount of the credit  
4 against the taxes that the business has elected to sell or assign. The  
5 sale or assignment of any amount of a tax credit transfer certificate  
6 allowed under this section shall not be exchanged for consideration  
7 received by the business of less than 75 percent of the transferred  
8 credit amount before considering any further discounting to present  
9 value which shall be permitted. Any amount of a tax credit transfer  
10 certificate used by a purchaser or assignee against a tax liability  
11 shall be subject to the same limitations and conditions that apply to  
12 the use of the credit by the business that originally applied for and  
13 was allowed the credit.

14 (cf: P.L.2011, c.149, s.7)

15

16 7. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to  
17 read as follows:

18 6. a. Up to the limits established in subsection b. of this  
19 section and in accordance with a redevelopment incentive grant  
20 agreement, beginning upon the receipt of occupancy permits for any  
21 portion of the redevelopment project, or upon such other event  
22 evidencing project completion as set forth in the incentive grant  
23 agreement, the State Treasurer shall pay to the developer  
24 incremental State revenues directly realized from businesses  
25 operating on or at the site of the redevelopment project from the  
26 following taxes: the Corporation Business Tax Act (1945),  
27 P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine  
28 insurance companies pursuant to R.S.54:16-1 et seq., the tax  
29 imposed on insurers generally, pursuant to P.L.1945, c.132  
30 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities  
31 gross receipts tax and public utility excise tax imposed on sewerage  
32 and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et  
33 seq.), those tariffs and charges imposed by electric, natural gas,  
34 telecommunications, water and sewage utilities, and cable television  
35 companies under the jurisdiction of the New Jersey Board of  
36 Utilities, or comparable entity, except for those tariffs, fees, or taxes  
37 related to societal benefits charges assessed pursuant to section 12  
38 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance  
39 with the "Global Warming Response Act," P.L.2007, c.112  
40 (C.26:2C-37 et seq.), transitional energy facility assessment unit  
41 taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34),  
42 and the sales and use taxes on public utility and cable television  
43 services and commodities, the tax derived from net profits from  
44 business, a distributive share of partnership income, or a pro rata  
45 share of S corporation income under the "New Jersey Gross Income  
46 Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at  
47 the site of a redevelopment project that is required to collect the tax  
48 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-

1 1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1  
2 et seq.) from the purchase of furniture, fixtures and equipment, or  
3 materials for the remediation, the construction of new structures at  
4 the site of a redevelopment project, the hotel and motel occupancy  
5 fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1),  
6 or the portion of the fee imposed pursuant to section 3 of P.L.1968,  
7 c.49 (C.46:15-7) derived from the sale of real property at the site of  
8 the redevelopment project and paid to the State Treasurer for use by  
9 the State, that is not credited to the "Shore Protection Fund" or the  
10 "Neighborhood Preservation Nonlapsing Revolving Fund" ("New  
11 Jersey Affordable Housing Trust Fund") pursuant to section 4 of  
12 P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to  
13 assign their ability to apply for the tax credit under this subsection  
14 to a non-profit organization with a mission dedicated to attracting  
15 investment and completing development and redevelopment  
16 projects in a Garden State Growth Zone. The non-profit  
17 organization may make an application on behalf of a developer  
18 which meets the requirements for the tax credit, or a group of non-  
19 qualifying developers, such that these will be considered a unified  
20 project for the purposes of the incentives provided under this  
21 section.

22 b. (1) Up to an average of 75 percent of the projected annual  
23 incremental revenues or 85 percent of the projected annual  
24 incremental revenues in a Garden State Growth Zone may be  
25 pledged towards the State portion of an incentive grant.

26 (2) In the case of a qualified residential project, if the authority  
27 determines that the estimated amount of incremental revenues  
28 pledged towards the State portion of an incentive grant is  
29 inadequate to fully fund the amount of the State portion of the  
30 incentive grant, then in lieu of an incentive grant based on such  
31 incremental revenue, the developer shall be awarded tax credits  
32 equal to the full amount of the incentive grant. The value of all  
33 credits approved by the authority pursuant to this paragraph shall  
34 not exceed \$600,000,000, of which:

35 (a) \$250,000,000 shall be restricted to qualified residential  
36 projects within Atlantic, Burlington, Camden, Cape May,  
37 Cumberland, Gloucester, Ocean, and Salem counties, of which  
38 \$175,000,000 of credits shall be restricted to qualified residential  
39 projects in a Garden State Growth Zone located within the  
40 aforementioned counties, and \$75,000,000 of credits shall be  
41 restricted to qualified residential projects in municipalities with a  
42 2007 Municipal Revitalization Index of 400 or higher as of the date  
43 of enactment of the "New Jersey Economic Opportunity Act of  
44 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within  
45 the aforementioned counties;

46 (b) \$250,000,000 shall be restricted to qualified residential  
47 projects located in: (i) urban transit hubs that are commuter rail in  
48 nature that otherwise do not qualify under subparagraph (a) of this

1 paragraph, (ii) a Garden State Growth Zone not located in a county  
2 mentioned in subparagraph (a) of this paragraph, (iii) disaster  
3 recovery projects that otherwise do not qualify under subparagraph  
4 (a) of this paragraph, or (iv) SDA municipalities located in Hudson  
5 County that were awarded State Aid in State Fiscal Year 2013  
6 through the Transitional Aid to Localities program and otherwise do  
7 not qualify under subparagraph (a) of this paragraph;

8 (c) \$75,000,000 shall be restricted to qualified residential  
9 projects in distressed municipalities, deep poverty pockets,  
10 highlands development credit receiving areas or redevelopment  
11 areas, otherwise not qualifying pursuant to subparagraph (a) or (b)  
12 of this paragraph; and

13 (d) \$25,000,000 shall be restricted to qualified residential  
14 projects that are located within a qualifying economic  
15 redevelopment and growth grant incentive area otherwise not  
16 qualifying under subparagraph (a), (b), or (c) of this paragraph.

17 (e) For subparagraphs (a) through (d) of this paragraph, not  
18 more than \$40,000,000 of credits shall be awarded to any qualified  
19 residential project in a deep poverty pocket or distressed  
20 municipality and not more than \$20,000,000 of credits shall be  
21 awarded to any other qualified residential project. The developer of  
22 a qualified residential project seeking an award of credits towards  
23 the funding of its incentive grant shall submit an incentive grant  
24 application prior to July 1, <sup>1</sup>~~【2015】 2016~~<sup>1</sup> and if approved <sup>1</sup>after the  
25 effective date of P.L.2013, c.161<sup>1</sup> shall submit a temporary  
26 certificate of occupancy for such project no later than July 28,  
27 ~~【2015】 2018~~. Applications for tax credits pursuant to this  
28 subsection relating to an ancillary infrastructure project or  
29 infrastructure improvement in the public right of way, or both, shall  
30 be accompanied with a letter of support relating to the project or  
31 improvement by the governing body or agency in which the project  
32 is located. Credits awarded to a developer pursuant to this  
33 subsection shall be subject to the same financial and related analysis  
34 by the authority <sup>1</sup>, the same term of the grant, and the same  
35 mechanism for administering the credits,<sup>1</sup> and shall be utilized or  
36 transferred by the developer as if such credits had been awarded to  
37 the developer pursuant to section 35 of P.L.2009, c.90 (C.34:1B-  
38 209.3) for qualified residential projects thereunder. No portion of  
39 the revenues pledged pursuant to the "New Jersey Economic  
40 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.)  
41 shall be subject to withholding or retainage for adjustment, in the  
42 event the developer or taxpayer waives its rights to claim a refund  
43 thereof.

44 (3) A developer may apply to the Director of the Division of  
45 Taxation in the Department of the Treasury and the chief executive  
46 officer of the authority for a tax credit transfer certificate, if the  
47 developer is awarded a tax credit pursuant to paragraph (2) of this  
48 subsection, covering one or more years, in lieu of the developer

1 being allowed any amount of the credit against the tax liability of  
2 the developer. The tax credit transfer certificate, upon receipt  
3 thereof by the developer from the director and the chief executive  
4 officer of the authority, may be sold or assigned, in full or in part,  
5 to any other person that may have a tax liability pursuant to section  
6 5 of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945,  
7 c.132 (C.54:18A-2 and 54:18A-3), section 1 of P.L.1950, c.231  
8 (C.17:32-15), or N.J.S.17B:23-5. The certificate provided to the  
9 developer shall include a statement waiving the developer's right to  
10 claim that amount of the credit against the taxes that the developer  
11 has elected to sell or assign. The sale or assignment of any amount  
12 of a tax credit transfer certificate allowed under this paragraph shall  
13 not be exchanged for consideration received by the developer of  
14 less than 75 percent of the transferred credit amount before  
15 considering any further discounting to present value that may be  
16 permitted. Any amount of a tax credit transfer certificate used by a  
17 purchaser or assignee against a tax liability shall be subject to the  
18 same limitations and conditions that apply to the use of the credit by  
19 the developer who originally applied for and was allowed the credit.

20 c. All administrative costs associated with the incentive grant  
21 shall be assessed to the applicant and be retained by the State  
22 Treasurer from the annual incentive grant payments.

23 d. The incremental revenue for the revenues listed in  
24 subsection a. of this section shall be calculated as the difference  
25 between the amount collected in any fiscal year from any eligible  
26 revenue source included in the State redevelopment incentive grant  
27 agreement, less the revenue increment base for that eligible  
28 revenue.

29 e. The municipality is authorized to collect any and all  
30 information necessary to facilitate grants under this program and  
31 remit that information, as may be required from time to time, in  
32 order to assist in the calculation of incremental revenue.

33 (cf: P.L.2013, c.161, s.17)

34

35 <sup>18</sup>. Section 24 of P.L.2013, c.161 (C.52:27D-489s) is amended  
36 to read as follows:

37 24. a. A Garden State Growth Zone Development Entity is  
38 authorized to undertake clearance, re-planning, development, or  
39 redevelopment of property within a Garden State Growth Zone.

40 b. Notwithstanding any other law to the contrary, every Garden  
41 State Growth Zone Development Entity that owns real property  
42 within a Garden State Growth Zone and that undertakes the  
43 clearance, re-planning, development, or redevelopment of such  
44 property is hereby granted an exemption on improvements to such  
45 eligible property for any new construction, improvements, or  
46 substantial rehabilitation of structures on real property for a period  
47 of 20 years from receiving a final Certificate of Occupancy,  
48 provided however, that a municipality located within the Garden



1 State Growth Zone shall, by ordinance, opt-in to such program  
2 within 90 calendar days of the enactment of P.L.2013, c.161  
3 (C.52:27D-489p et al.). The exemption allowed by this subsection  
4 shall be dependent upon: (1) the owner of the real property making  
5 improvements to the real property after the enactment of P.L.2013,  
6 c.161 (C.52:27D-489p et al.); and (2) the Division of Codes and  
7 Standards, in consultation with the eligible municipality, issuing a  
8 final Certificate of Occupancy within 10 years of the date of  
9 enactment of P.L.2013, c.161 (C.52:27D-489p et al.).

10 c. The exemption granted by subsection b. of this section shall  
11 be for a period of 20 years. For the first 10 years immediately  
12 subsequent to the issuance of a Certificate of Occupancy, the  
13 Garden State Growth Zone Development Entity shall be exempt  
14 from the payment of taxes on the improvements to the eligible  
15 property. Thereafter, the Garden State Growth Zone Development  
16 Entity shall pay to the municipality in lieu of full property tax  
17 payments an amount equal to a percentage of taxes otherwise due,  
18 according to the following schedule:

19 (1) In the eleventh year after completion, 10 percent of taxes  
20 otherwise due;

21 (2) In the twelfth year after completion, 20 percent of taxes  
22 otherwise due;

23 (3) In the thirteenth year after completion, 30 percent of taxes  
24 otherwise due;

25 (4) In the fourteenth year after completion, 40 percent of taxes  
26 otherwise due;

27 (5) In the fifteenth year after completion, 50 percent of taxes  
28 otherwise due;.

29 (6) In the sixteenth year after completion, 60 percent of taxes  
30 otherwise due;

31 (7) In the seventeenth year after completion, 70 percent of taxes  
32 otherwise due;

33 (8) In the eighteenth year after completion, 80 percent of taxes  
34 otherwise due;

35 (9) In the nineteenth full year after completion, 90 percent of  
36 taxes otherwise due;

37 (10) In the twentieth year after completion, and each year  
38 thereafter, 100 percent of taxes.

39 An amount not less than five percent of all payments pursuant to  
40 this subsection shall be paid to the county in which the municipality  
41 is located.

42 d. Upon the termination of the exemption granted pursuant to  
43 subsection c. of this section, the project, all affected parcels, land,  
44 and all improvements made thereto shall be assessed and subject to  
45 taxation as are other taxable properties in the municipality. After  
46 the date of termination, all restrictions and limitations upon the  
47 Garden State Growth Zone Development Entity shall terminate and

1 be at an end upon the entity's rendering its final accounting to and  
2 with the municipality.

3 e. Notwithstanding subsection b. of this section, the owner of  
4 any property located within a Garden State Growth Zone, that does  
5 not qualify as a Garden State Growth Zone Development Entity,  
6 that performs any new construction, improvements, or substantial  
7 rehabilitation improvements to property, shall be entitled to an  
8 exemption from taxation regarding such improvements as provided  
9 herein. For purposes of such exemption, the municipality shall  
10 consider the assessor's full and true value of the improvements as  
11 not increasing the value of the property for a period of five years,  
12 notwithstanding that the value of the property to which the  
13 improvements are made is increased thereby.

14 f. Any exemption obtained under this section shall be fully  
15 transferable upon the sale of real property, as long as the new owner  
16 meets all requirements for exemption set forth pursuant to this  
17 section, or, for the sale of a residential unit, as long as the new  
18 owner occupies the unit as a primary residence.<sup>1</sup>

19 (cf: P.L.2013, c.161, s.24)

20

21 <sup>29</sup>. Section 9 of P.L.2009, c.90 (C.52:27D-489i) is amended to  
22 read as follows:

23 9. a. The authority is authorized to enter into a redevelopment  
24 incentive grant agreement with a developer for any redevelopment  
25 project located within a qualifying economic redevelopment and  
26 growth grant incentive area that does not qualify as such area solely  
27 by virtue of being a transit village.

28 b. The decision whether or not to enter into a redevelopment  
29 incentive grant agreement is solely within the discretion of the  
30 authority and the State Treasurer, provided that they both agree to  
31 enter into an agreement.

32 c. The Chief Executive Officer of the authority, in consultation  
33 with the State Treasurer shall negotiate the terms and conditions of  
34 any redevelopment incentive grant agreement on behalf of the State.

35 d. (1) The redevelopment incentive grant agreement shall  
36 specify the maximum amount of project costs, the amount of the  
37 incentive grant to be awarded the developer, the frequency of  
38 payments, and the eligibility period, which shall not exceed 20  
39 years, during which reimbursement will be granted, and for a  
40 project receiving an incentive grant in excess of \$50 million, the  
41 amount of the negotiated repayment amount to the State, which may  
42 include, but not be limited to, cash, equity, and warrants. Except  
43 for redevelopment incentive grant agreements with a municipal  
44 redeveloper or with the developer of a redevelopment project solely  
45 with respect to the cost of infrastructure improvements in the public  
46 right-of-way including any ancillary infrastructure project in the  
47 public right-of-way, in no event shall the base amount of the  
48 combined reimbursements under redevelopment incentive grant

1 agreements with the State or municipality exceed 20 percent of the  
2 total project cost, except in a Garden State Growth Zone or in an  
3 urban transit hub, which shall not exceed 30 percent.

4 (2) The authority shall be permitted to increase the amount of  
5 the reimbursement under the redevelopment incentive grant  
6 agreement with the State by up to 10 percent of the total project  
7 cost if the project is:

8 (a) located in a distressed municipality which lacks adequate  
9 access to nutritious food in the judgment of the Chief Executive  
10 Officer of the authority and will include either a supermarket or  
11 grocery store with a minimum of 15,000 square feet of selling space  
12 devoted to the sale of consumable products or a prepared food  
13 establishment selling only nutritious ready to serve meals;

14 (b) located in a distressed municipality which lacks adequate  
15 access to health care and health services in the judgment of the  
16 Chief Executive Officer of the authority and will include a health  
17 care and health services center with a minimum of 10,000 square  
18 feet of space devoted to the provision of health care and health  
19 services;

20 (c) located in a distressed municipality which has a business  
21 located therein that is required to respond to a request for proposal  
22 to fulfill a contract with the federal government as set forth in  
23 subsection d. of section 3 of P.L.2011, c.149 (C.34:1B-244);

24 (d) a transit project;

25 (e) a qualified residential project in which at least 10 percent of  
26 the residential units are constructed as and reserved for moderate  
27 income housing;

28 (f) located in a highlands development credit receiving area or  
29 redevelopment area;

30 (g) located in a Garden State Growth Zone;

31 (h) a disaster recovery project;

32 (i) an aviation project;

33 (j) a tourism destination project; or

34 (k) substantial rehabilitation or renovation of an existing  
35 structure or structures.

36 (3) The maximum amount of any redevelopment incentive grant  
37 shall be equal to up to 30 percent of the total project costs, except  
38 for projects located in a Garden State Growth Zone or in an urban  
39 transit hub, in which case the maximum amount of any  
40 redevelopment incentive grant shall be equal to up to 40 percent of  
41 the total project costs.

42 e. Except in the case of a qualified residential project, the  
43 authority and the State Treasurer may enter into a redevelopment  
44 incentive grant agreement only if they make a finding that the State  
45 revenues to be realized from the redevelopment project will be in  
46 excess of the amount necessary to reimburse the developer for its  
47 project financing gap. This finding may be made by an estimation

1 based upon the professional judgment of the Chief Executive  
2 Officer of the authority and the State Treasurer.

3 f. In deciding whether or not to recommend entering into a  
4 redevelopment incentive grant agreement and in negotiating a  
5 redevelopment agreement with a developer, the Chief Executive  
6 Officer of the authority shall consider the following factors:

7 (1) the economic feasibility of the redevelopment project;

8 (2) the extent of economic and related social distress in the  
9 municipality and the area to be affected by the redevelopment  
10 project or the level of site specific distress to include dilapidated  
11 conditions, brownfields designation, environmental contamination,  
12 pattern of vacancy, abandonment, or under utilization of the  
13 property, rate of foreclosures, or other site conditions as determined  
14 by the authority;

15 (3) the degree to which the redevelopment project will advance  
16 State, regional, and local development and planning strategies;

17 (4) the likelihood that the redevelopment project shall, upon  
18 completion, be capable of generating new tax revenue in an amount  
19 in excess of the amount necessary to reimburse the developer for  
20 project costs incurred as provided in the redevelopment incentive  
21 grant agreement, provided, however, that any tax revenue generated  
22 by a redevelopment project that is a disaster recovery project shall  
23 be considered new tax revenue even if the same or more tax revenue  
24 was generated at or on the site prior to the disaster;

25 (5) the relationship of the redevelopment project to a  
26 comprehensive local development strategy, including other major  
27 projects undertaken within the municipality;

28 (6) the need of the redevelopment incentive grant agreement to  
29 the viability of the redevelopment project or the promotion of the  
30 use of public transportation; and

31 (7) the degree to which the redevelopment project enhances and  
32 promotes job creation and economic development or the promotion  
33 of the use of public transportation.

34 g. (1) A developer that has entered into a redevelopment  
35 incentive grant agreement with the authority and the State Treasurer  
36 pursuant to this section may, upon notice to and consent of the  
37 authority and the State Treasurer, pledge, assign, transfer, or sell  
38 any or all of its right, title and interest in and to such agreements  
39 and in the incentive grants payable thereunder, and the right to  
40 receive same, along with the rights and remedies provided to the  
41 developer under such agreement. Any such assignment shall be an  
42 absolute assignment for all purposes, including the federal  
43 bankruptcy code.

44 (2) Any pledge of incentive grants made by the developer shall  
45 be valid and binding from the time when the pledge is made and  
46 filed in the records of the authority. The incentive grants so  
47 pledged and thereafter received by the developer shall immediately  
48 be subject to the lien of the pledge without any physical delivery

1   thereof or further act, and the lien of any pledge shall be valid and  
2   binding as against all parties having claims of any kind in tort,  
3   contract, or otherwise against the developer irrespective of whether  
4   the parties have notice thereof. Neither the redevelopment  
5   incentive grant agreement nor any other instrument by which a  
6   pledge under this section is created need be filed or recorded except  
7   with the authority.<sup>2</sup>

8   (cf: P.L.2013, c.161, s.19)

9  
10   <sup>3</sup>[<sup>2</sup>10. Section 18 of P.L.2008, c.46 (C.52:27D-329.9) is  
11   amended to read as follows:

12   18. a. Notwithstanding any rules of the council to the contrary,  
13   for developments consisting of newly-constructed residential units  
14   located, or to be located, within the jurisdiction of any regional  
15   planning entity required to adopt a master plan or comprehensive  
16   management plan pursuant to statutory law, including the New  
17   Jersey Meadowlands Commission pursuant to subsection (i) of  
18   section 6 of P.L.1968, c.404 (C.13:17-6), the Pinelands Commission  
19   pursuant to section 7 of the "Pinelands Protection Act," P.L.1979,  
20   c.111 (C.13:18A-8), the Fort Monmouth Economic Revitalization  
21   Planning Authority pursuant to section 5 of P.L.2006, c.16  
22   (C.52:27I-5), or its successor, and the Highlands Water Protection  
23   and Planning Council pursuant to section 11 of P.L.2004, c.120  
24   (C.13:20-11), but excluding joint planning boards formed pursuant  
25   to section 64 of P.L.1975, c.291 (C.40:55D-77), there shall be  
26   required to be reserved for occupancy by low or moderate income  
27   households at least 20 percent of the residential units constructed, to  
28   the extent this is economically feasible.

29   b. Subject to the provisions of subsection d. of this section, a  
30   developer of a project consisting of newly-constructed residential  
31   units being financed in whole or in part with State funds, including,  
32   but not limited to, transit villages designated by the Department of  
33   Transportation and units constructed on State-owned property, shall  
34   be required to reserve at least 20 percent of the residential units  
35   constructed for occupancy by low or moderate income households,  
36   as those terms are defined in section 4 of P.L.1985, c.222  
37   (C.52:27D-304), with affordability controls as required under the  
38   rules of the council, unless the municipality in which the property is  
39   located has received substantive certification from the council and  
40   such a reservation is not required under the approved affordable  
41   housing plan, or the municipality has been given a judgment of  
42   repose or a judgment of compliance by the court, and such a  
43   reservation is not required under the approved affordable housing  
44   plan.

45   c. (1) The Legislature recognizes that regional planning entities  
46   are appropriately positioned to take a broader role in the planning  
47   and provision of affordable housing based on regional planning  
48   considerations. In recognition of the value of sound regional

1 planning, including the desire to foster economic growth, create a  
2 variety and choice of housing near public transportation, protect  
3 critical environmental resources, including farmland and open space  
4 preservation, and maximize the use of existing infrastructure, there  
5 is created a new program to foster regional planning entities.

6 (2) The regional planning entities identified in subsection a. of  
7 this section shall identify and coordinate regional affordable  
8 housing opportunities in cooperation with municipalities in areas  
9 with convenient access to infrastructure, employment opportunities,  
10 and public transportation. Coordination of affordable housing  
11 opportunities may include methods to regionally provide housing in  
12 line with regional concerns, such as transit needs or opportunities,  
13 environmental concerns, or such other factors as the council may  
14 permit; provided, however, that such provision by such a regional  
15 entity may not result in more than a 50 percent change in the fair  
16 share obligation of any municipality; provided that this limitation  
17 shall not apply to affordable housing units directly attributable to  
18 development by the New Jersey Sports and Exposition Authority  
19 within the New Jersey Meadowlands District.

20 (3) In addition to the entities identified in subsection a. of this  
21 section, the Casino Reinvestment Development Authority, in  
22 conjunction with the Atlantic County Planning Board, shall identify  
23 and coordinate regional affordable housing opportunities directly  
24 attributable to Atlantic City casino development, which may be  
25 provided anywhere within Atlantic County, subject to the  
26 restrictions of paragraph (4) of this subsection.

27 (4) The coordination of affordable housing opportunities by  
28 regional entities as identified in this section shall not include  
29 activities which would provide housing units to be located in those  
30 municipalities that are eligible to receive aid under the "Special  
31 Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.), or  
32 are coextensive with a school district which qualified for  
33 designation as a "special needs district" pursuant to the "Quality  
34 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), or at  
35 any time in the last 10 years have been qualified to receive  
36 assistance under P.L.1978, c.14 (C.52:27D-178 et seq.) and that fall  
37 within the jurisdiction of any of the regional entities specified in  
38 subsection a. of this section.

39 d. Notwithstanding the provisions of subsection b. of this  
40 section, or any other law or regulation to the contrary, for purposes  
41 of mixed use projects or qualified residential projects in which a  
42 business receives a tax credit pursuant to P.L.2007, c.346 (C.34:1B-  
43 207 et seq.) or a tax credit pursuant to section 35 of P.L.2009, c.90  
44 (C.34:1B-209.3), or both, an "eligible municipality," as defined in  
45 section 2 of P.L.2007, c.346 (C.34:1B-208), shall have the option of  
46 deciding the percentage of newly-constructed residential units  
47 within the project, up to 20 percent of the total, required to be  
48 reserved for occupancy by low or moderate income households.

1 For a mixed use project or a qualified residential project that has  
 2 received preliminary or final site plan approval prior to the effective  
 3 date of P.L.2011, c.89, the percentage shall be deemed to be the  
 4 percentage, if any, of units required to be reserved for low or  
 5 moderate income households in accordance with the terms and  
 6 conditions of such approval.

7 e. Notwithstanding the provisions of subsection a. of this  
 8 section, or any other law or regulation to the contrary, whenever  
 9 newly-constructed residential units are built within a "project area,"  
 10 as that term is defined by section 3 of P.L.2010, c.51 (C.52:27I-20),  
 11 the 20 percent of units required to be reserved for occupancy by low  
 12 or moderate income households shall not be required to be  
 13 constructed within the project area. For any reserved units not  
 14 constructed within the project area, the reserved unit requirement  
 15 shall be allocated to developments constructed in other areas within  
 16 the "host municipality," as that term is defined by section 3 of  
 17 P.L.2010, c.51 (C.52:27I-20).<sup>2</sup>】<sup>3</sup>

18 (cf: P.L.2011, c.89, s.5)

19  
 20 <sup>3</sup>【<sup>2</sup>11.】 10.<sup>3</sup> (New section) a. For the purposes of this section:

21 "Applicant" means a designated redeveloper of a redevelopment  
 22 project approved pursuant to the "Local Redevelopment and  
 23 Housing Law," P.L.1992, c.79 (C.40A:12A-1 et al.), that undertakes  
 24 to provide and donate public infrastructure.

25 "Government entity" means the State government, a local unit of  
 26 government, or a State or local government agency or authority.

27 "Providing public infrastructure" means undertaking and paying  
 28 for the construction of public infrastructure; contributing money or  
 29 paying debt service for the construction of public infrastructure; or  
 30 deeding land to a government entity for use as public infrastructure.

31 "Public infrastructure" means: <sup>4</sup>【a.】 (1)<sup>4</sup> buildings and  
 32 structures, such as schools; fire houses; police stations; recreation  
 33 centers; public works garages; and water and sewer treatment and  
 34 pumping facilities; <sup>4</sup>【b.】 (2)<sup>4</sup> open space with improvements such  
 35 as athletic fields; playgrounds; planned parks; <sup>4</sup>【c.】 (3)<sup>4</sup> open space  
 36 without improvements; and <sup>4</sup>【d.】 (4)<sup>4</sup> public transportation  
 37 facilities such as train stations and public parking facilities. To  
 38 qualify as public infrastructure under this section, the facilities,  
 39 land, or both, shall have a minimum fair market value of \$5 million;  
 40 provided, however, that multiple lands and facilities, valued  
 41 individually at less than \$5 million, that are part of the same  
 42 redevelopment project may be aggregated to achieve the minimum  
 43 \$5 million requirement. In the case of open space without  
 44 improvements, the land shall have a minimum fair market value of  
 45 at least \$1 million prior to its dedication as open space. Sidewalks,  
 46 streets, roads, ramps, and jug handles shall not be deemed public  
 47 infrastructure for the purposes of this section.

1       "Rebate" means a refund or other repayment of a fee paid by an  
2 applicant pursuant to law.

3       "Redevelopment project" means any work or undertaking  
4 pursuant to a redevelopment plan adopted under the "Local  
5 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
6 al.); and may include any buildings, land, including demolition,  
7 clearance, or removal of buildings from land, equipment, facilities,  
8 or other real or personal properties which are necessary, convenient,  
9 or desirable appurtenances, such as, but not limited to, streets,  
10 sewers, utilities, parks, site preparation, landscaping, and  
11 administrative, community, health, recreational, educational, and  
12 welfare facilities.

13       "Tax credit" means a credit equal to 100 percent of the  
14 applicant's cost of providing public infrastructure for use to offset a  
15 tax liability.

16       "Tax liability" means a liability for the taxes imposed pursuant to  
17 the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq. or  
18 the "Corporation Business Tax (1945)," P.L.1945, c.162 (C.54:10A-  
19 1 et seq.), and liability for basic, general, additional, and  
20 supplemental realty transfer fees imposed pursuant P.L.1968, c.49  
21 (C.46:15-5 et seq.), as amended and supplemented; provided that  
22 the liability results from a redevelopment project for which the  
23 applicant or the applicant's business is a redeveloper designated by  
24 a municipality or redevelopment entity under the "Local  
25 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
26 al.). A tax liability may be for any year in which the applicant, or  
27 the applicant's business, was a designated redeveloper by a  
28 municipality or redevelopment entity under the "Local  
29 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
30 al.).

31       b. Commencing with the effective date of P.L. , c. (C. )  
32 (pending before the Legislature as this bill) and ending on  
33 December 31 of the fifth complete year next following, an applicant  
34 that has agreed to, or has provided, public infrastructure may apply  
35 to the New Jersey Economic Development Authority for a rebate or  
36 a tax credit under the following conditions:

37       (1) The government entity receiving the infrastructure consents  
38 to the rebate or tax credit and either:

39       (a) the redevelopment project will provide new ratables with a  
40 minimum value of \$50 million;

41       (b) the redevelopment project will create at least 100 new or  
42 rehabilitated housing units; or

43       (c) the redevelopment project will create retail, commercial, or  
44 office space with a square footage of at least 100,000 square feet.  
45 When a project is completed in components or phases, the ratables,  
46 housing units, and newly created square footage may be aggregated  
47 by the applicant to meet the thresholds set forth within this  
48 paragraph.



1       (2) The applicant has not received a tax credit under the “Grow  
2 New Jersey Assistance Program” established by section 3 of  
3 P.L.2011, c.149 (C.34:1B-244).

4       (3) The applicant has not received a grant under a State or a local  
5 Economic Redevelopment and Growth Grant program pursuant to  
6 section 4 or section 5 of P.L.2009, c.90 (C.52:27D-489d or  
7 C.52:27D-489e).

8       (4) The applicant is not a “Garden State Growth Zone  
9 Development Entity,” as defined in section 23 of P.L.2013, c.161  
10 (C.52:27D-489r).

11       (5) The applicant is not partnered with the New Jersey Sports  
12 and Exposition Authority for the redevelopment project.

13       c. The New Jersey Economic Development Authority shall  
14 grant an application for a rebate or tax credits if the government  
15 entity receiving the public infrastructure, adopts a resolution and  
16 files it with the authority, consenting to the rebate or tax credits and  
17 the ownership of the public infrastructure is transferred to that  
18 government entity, and either: (1) the construction commences after  
19 January 1, 2013; (2) the construction is completed, as evidenced by  
20 a certificate of occupancy or other certificate of completion, after  
21 January 1, 2013; (3) the first monetary or debt service payment  
22 occurs after January 1, 2013; or (4) the land is deeded to the  
23 government entity after January 1, 2013. A rebate or tax credit  
24 shall not be paid or issued to an applicant until the New Jersey  
25 Economic Development Authority receives a true copy of the  
26 resolution by the government entity receiving the public  
27 infrastructure consenting to the granting of the rebate or tax credit.

28       d. (1) The rebate or tax credit may to be granted to individuals  
29 with an ownership interest in a business that has been designated as  
30 a redeveloper by a municipality or other redevelopment entity under  
31 the "Local Redevelopment and Housing Law," P.L.1992, c.79  
32 (C.40A:12A-1 et al.).

33       (2) A person with an ownership interest in <sup>4</sup>a<sup>4</sup> business  
34 designated as a redeveloper may use the tax credit to offset any  
35 other tax liability of that person resulting from any other  
36 redevelopment project for which the person, or the person's  
37 business, is a designated redeveloper under the "Local  
38 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
39 al.).

40       (3) A rebate shall be paid by the State Treasurer from the  
41 General Fund upon authorization by the Executive Director of the  
42 New Jersey Economic Development Authority.

43       (4) A tax credit granted pursuant to this section may be  
44 transferred in the same manner as tax credits are transferred under  
45 section 33 of P.L.2009, c.90 (C.34:1B-209.1).

46       e. The Executive Director of the New Jersey Economic  
47 Development Authority, in consultation with the Director of the  
48 Division of Taxation in the Department of the Treasury, shall adopt

1 rules and regulations pursuant to the "Administrative Procedure  
2 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to implement  
3 the provisions of this section.<sup>2</sup>

4

5 <sup>1</sup>[8.] <sup>2</sup>[9.<sup>1</sup>] <sup>3</sup>[12.<sup>2</sup>] 11.<sup>3</sup> This act shall take effect immediately.