

ASSEMBLY, No. 492

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JAY WEBBER

District 26 (Essex, Morris and Passaic)

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblyman CLINTON CALABRESE

District 36 (Bergen and Passaic)

Co-Sponsored by:

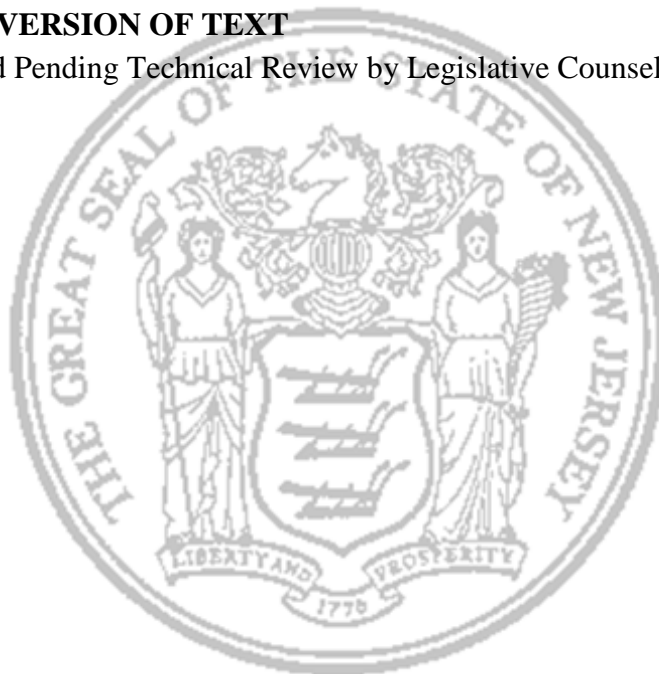
Assemblyman Coughlin and Assemblywoman Pinkin

SYNOPSIS

Prohibits awarding of economic development subsidy to business if payment of principal and interest on previously awarded loan or loan guarantee is greater than 24 months overdue.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 1/27/2020)

1 AN ACT concerning certain economic development subsidies and
2 amending P.L.2015, c.167.

3

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

6

7 1. Section 2 of P.L.2015, c.167 (C.52:18-52) is amended to
8 read as follows:

9 2. A State public body shall not award an economic
10 development subsidy to a recipient business that previously
11 received an economic development subsidy that was a loan or loan
12 guarantee if the recipient business is in default, or the payment of
13 principal and interest is greater than 24 months overdue, on that
14 previously awarded loan or loan guarantee.

15 (cf: P.L.2015, c.167, s.2)

16

17 2. This act shall take effect immediately but shall remain
18 inoperative for 60 days following the date of enactment.

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STATEMENT

22

23 This bill would prohibit a State public body from awarding an
24 economic development subsidy to a business that previously received
25 an economic development subsidy that was a loan or loan guarantee if
26 the payment of principal and interest on the loan or loan guarantee is
27 more than 24 months overdue. Current law prohibits a State public
28 body from awarding an economic development subsidy to a business
29 that previously received an economic development subsidy that was a
30 loan or loan guarantee if the business is in default on the loan or loan
31 guarantee.

32 For the purposes of this bill, and current law:

33 "State public body" means the State of New Jersey or any agency,
34 authority, board, commission, or instrumentality of the State, but does
35 not mean a political subdivision of the State or an agency, authority,
36 board, commission, or instrumentality of a political subdivision of the
37 State; and

38 "Economic development subsidy" means the provision of an
39 amount of funds to a recipient business by or from a State public body
40 with a value of greater than \$25,000 for the purpose of stimulating
41 economic development in New Jersey, including, but not limited to, a
42 loan or loan guarantee.

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.