

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 996

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2020

The Assembly Commerce and Economic Development Committee reports favorably Assembly Bill No. 996, with committee amendments.

This bill, as amended by the committee, would establish a New Jersey “Economic Gardening Program.” Economic gardening is an approach to economic growth and development that provides assistance to existing small businesses which qualify as “second-stage growth businesses.”

Under the bill, as amended, a business qualifies as a “second-stage growth business” if it:

- has maintained its principal place of business in New Jersey for at least the last two years;
- has annual revenues totaling not more than \$50,000,000;
- employs at least five but not more than 100 full-time employees;
- demonstrates growth in annual revenue or jobs, or both, in two of the last five years;
- delivers products or services to customers outside the business’ local market area or demonstrates the capacity to do so;
- is in a target industry; and
- is organized for profit to perform a lawful, commercial function.

The bill directs the Business Action Center to establish the program, and to work in conjunction with the New Jersey Economic Development Authority and State, local, and private business assistance entities to develop and promote the program.

The program would provide qualified businesses customized services tailored to their needs in the form of personalized counseling or management consulting. These services would include:

- review of core business strategies,
- market research and business development, and
- guidance on increasing a business’ visibility and credibility.

The bill authorizes the Business Action Center to partner with business assistance organizations to provide services to qualified businesses.

The bill provides for a General Fund appropriation of an amount necessary to effectuate the purposes of the bill and allows the Business Action Center to seek and accept gifts, grants, or donations from private or public sources for funding the costs of program services.

The bill requires the Business Action Center to report on the program annually to the Governor and the Legislature.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS:

The committee amendments remove the minimum amount of annual revenues a business must have in order to qualify as a “second-stage growth business” and be eligible for assistance under the “Economic Gardening Program,” being established under the bill.