ASSEMBLY, No. 1856

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Assemblywoman HOLLY T. SCHEPISI
District 39 (Bergen and Passaic)

SYNOPSIS

Establishes Office of International Trade and Protocol in EDA.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT establishing an Office of International Trade and Protocol in the New Jersey Economic Development Authority and supplementing P.L.1974, c.80 (C.34:1B-1 et seq.).

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

1. As used in P.L. , c. (C.) (pending before the Legislature as this bill):

"Authority" shall have the same meaning as provided in section 3 of P.L.1974, c.80 (C.34:1B-3).

"County college" means an educational institution established or to be established by one or more counties, offering programs of instruction, extending not more than two years beyond high school, which may include, but not be limited to, specialized or comprehensive curriculums, including college credit transfer courses, terminal courses in the liberal arts and sciences, and technical institute type programs.

“Office” means the Office of International Trade and Protocol established pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill).

"Private institution of higher education" means an independent college, university, or institute incorporated and located in New Jersey, which by virtue of law, character, or license is a nonprofit educational institution authorized to grant academic degrees and provide a level of education which is equivalent to the education provided by the State's public institutions of higher education as attested by the receipt of and continuation of regional accreditation by the Middle States Association of Colleges and Schools, and which is eligible to receive State aid under the provisions of the Constitution of the United States and the Constitution of the State of New Jersey, but does not include any educational institution dedicated primarily to the education or training of ministers, priests, rabbis, or other professional persons in the field of religion.

"Public institution of higher education" means Rutgers, The State University of New Jersey, the New Jersey Institute of Technology, Rowan University, a State college, a county college, and any other New Jersey public university or college established or authorized by law.

"State college" means any of the State colleges or universities established pursuant to chapter 64 of Title 18A of the New Jersey Statutes including any State college designated as a teaching university.

2. The New Jersey Economic Development Authority shall establish an Office of International Trade and Protocol, whose purpose shall be to:

a. Encourage and promote the identification, expansion, and development of foreign export markets for New Jersey products and services;

b. Provide assistance to New Jersey businesses in developing international markets for their products or services; and

c. Encourage and promote foreign investment in New Jersey by maintaining contact with representatives of foreign governments and businesses on an ongoing basis.

3. a. Upon referral of a business to the authority, the office shall initially assist in determining, directly or through referral to consultants or other outside resources:

(1) The viability of the products or services proposed to be marketed in terms of potential demand in international markets upon preliminary identification of those markets; and

(2) The existence of a reasonable probability that the business will be able to sustain and expand its export capability in the future.

b. The office shall contract with appropriate consultants and advisors with expertise in all aspects of international trade, and may contract with an export trading corporation certified pursuant to the provisions section 3 of P.L.1995, c.275 (C.52:27H-22.9). The office, with the approval of the authority, may contract with private consultants or consulting organizations or others to secure discounted fees or otherwise favorable arrangements for the office's client businesses. Client businesses of the office may be referred to the consultants, advisors, or other organizations for any assistance as set forth in subsection c. of this section and, if directly provided assistance by the office, the client business shall be obligated to pay a reasonable cost for that assistance. Requests for assistance in financing trade transactions shall be referred to the authority or other appropriate lender. The office shall maintain a database of depository institutions and other lenders with experience in export financing. The office shall coordinate the export assistance being received on an ongoing basis and may, if appropriate, continue to review the client's export activities on an ongoing basis.

c. The office may, either directly or through consultants or advisors, or with the assistance of State foreign trade representatives, and the Bureau of Industry and Security and the International Trade Administration in the United States Department of Commerce, provide assistance to businesses, as necessary, including, but not limited to:

(1) Assistance in researching foreign markets, providing general market information, and developing an export strategy relative to the product or service proposed to be exported;

(2) Assistance with advertising, developing a marketing plan and marketing the product or service, and participation in trade fairs or trade missions;

(3) Assistance in placing bids with foreign buyers of goods or services;

(4) Assistance or information with respect to the pricing of goods to be exported, arranging the terms of sale and method of payment, and facilitating foreign exchange transactions;

(5) Assistance in arranging loans or loan guarantees to client businesses, including loans or guarantees from the authority, commercial banking institutions, foreign banking institutions, or the Export Import Bank of the United States, or assistance in obtaining bankers' acceptances pursuant to section 207 of Title II of the federal Export Trading Company Act of 1982, Pub.L.97-290 (12 U.S.C. s.372);

(6) Assistance in arranging contracts for translating, interpreting, or other services to facilitate communication between exporters and foreign purchasers of goods or services, and legal assistance in arranging export trade transactions;

(7) Assistance in providing information with respect to the shipment of goods, including the preparation of appropriate shipping and collection documents, and referring businesses to sources for procuring appropriate insurance for international trade transactions, including marine and export credit insurance;

(8) Assistance in providing information in the preparation of appropriate shipping and collection documents;

(9) Assistance in arranging joint ventures with other exporting businesses or with foreign entities or businesses;

(10) Assistance in applying for export trade-related customized job training, through the Department of Labor and Workforce Development;

(11) Assistance in negotiating license or franchise agreements with foreign businesses; and

(12) Assistance in establishing a strategy and program for after-sales service of exported products.

d. Assistance provided directly by the office pursuant to subsection c. of this section, other than the preliminary assessment of the viability of the business as an exporter, referral to sources of export trade financing, and ongoing coordinating and monitoring of the services or assistance provided, shall be compensated by the client business on a no-profit, no-loss basis, which compensation shall include the cost of personnel and office overhead chargeable directly to the service or services provided.

4. The office shall partner with a worldwide export assistance network of international offices and representatives. The network may include export trade offices established in a foreign country or independent foreign representatives located abroad, which may assist the office by:

a. Providing general support for in-country trade initiatives, including identifying projects or businesses that have the potential to serve as a market for New Jersey businesses;

b. Identifying appropriate contacts with potential overseas trading partners for New Jersey businesses' products or services;

c. Assisting in obtaining translation and interpreter services within the foreign country;

d. Assisting in providing information on foreign trade shows or organizing trade events within the foreign country;

e. Assisting in organizing or facilitating trade missions; and

f. Identifying foreign sources that are potential investors in New Jersey.

5. a. In conjunction with the authority, the office shall make arrangements for, and facilitate the use of, any Internet-based listing of New Jersey-based suppliers of goods and services, for the provision of an international trade service that provides businesses with export trade leads and global sales opportunities generated by State foreign trade representatives, the United States Commercial Service, or otherwise. In establishing information on international trade, the office shall also provide links to information from the United States Department of Commerce, the Global Trade and Technology Network or its successor organization, and other appropriate sources.

b. The office shall conduct ongoing marketing programs to publicize its international trade services to businesses, through print, other media, and business organizations for the purpose of encouraging businesses in the State to explore the feasibility of marketing their goods and services in foreign countries. The office shall engage in an outreach effort through the use of seminars and other programs, including meetings at which foreign trade representatives from foreign markets discuss the opportunities in those markets in order to make businesses aware of the opportunities that exporting gives them to expand their markets.

6. The office may establish an internship or job training program, cooperative work program, or other program for students enrolled in a curriculum in a public or private institution of higher education in a subject related to the services or assistance provided by the office and for which knowledge of export trade will contribute to the work of the office or enhance the student's ability to find employment.

7. This act shall take effect immediately, but shall remain inoperative for 60 days following the date of enactment.

STATEMENT

The bill establishes the Office of International Trade and Protocol (office) within the New Jersey Economic Development Authority. The role of the office is to encourage businesses in the State to explore the feasibility of marketing their products or services abroad and to provide technical assistance and support services to client companies. It is anticipated that because of the complex nature of international trade transactions, much of the assistance provided to businesses will be provided through consultants and advisors with specialized knowledge of foreign markets and specialized skills such as translation services. The bill provides that services provided by the office directly to client companies be paid for by companies on a no-profit, no-loss basis, which compensation is to include the cost of personnel and office overhead chargeable directly to the service or services provided.

The bill requires the office to partner with a worldwide export assistance network of international offices and representatives. The network may include export trade offices established in a foreign country or independent foreign representatives located abroad.

Further, the bill allows the office to establish an internship or job training program, cooperative work program, or other program for students enrolled in a curriculum in a public or private institution of higher education in a subject related to the services or assistance provided by the office and for which knowledge of export trade will contribute to the work of the office or enhance the student's ability to find employment.