ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2226

STATE OF NEW JERSEY

DATED: OCTOBER 21, 2020

The Assembly Commerce and Economic Development Committee reports favorably Assembly Bill No. 2226.

This bill would suspend the assessment of fines against small businesses for certain minor first-time paperwork violations. Under the bill, a small business is defined as a business entity that employs 50 full-time employees or fewer and qualifies as a small business concern as defined in the federal "Small Business Act."

Under the bill, a fine would not be suspended if:

- the violation has the potential to cause serious harm to the public interest;
- failure to impose a fine or penalty would impede or interfere with the detection of criminal activity;
- the violation concerns the assessment or collection of any tax, debt, revenue, or receipt;
- the violation was not corrected within six months of the date the small business received notification of the violation; or
- except as provided below, the violation presents a danger to public safety.

If a State agency or regulatory authority determines that the violation presents a danger to the public safety, the agency or regulatory authority may nevertheless suspend the assessment of a fine under certain circumstances if the violation is corrected within 24 hours after notification to the business of the violation.

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.