

ASSEMBLY, No. 3020

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

SYNOPSIS

Creates matching grant program for small businesses engaged in life sciences.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** establishing a small business matching grant program for
2 small life sciences businesses, transferring \$2,500,000 of certain
3 expended balance for appropriation to support the program,
4 supplementing P.L.1974, c.80 (C.34:1B-1 et seq.), and amending
5 P.L.2019, c.150, the fiscal year 2020 annual appropriations act.

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

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10 1. (New section) As used in sections 1 through 4 of P.L. ,
11 c. (C.) (pending before the Legislature as this bill):

12 “Authority” means the New Jersey Economic Development
13 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

14 “Eligible small business” means a business entity that: a. is
15 independently owned and operated; b. is not dominant in its field of
16 operation; c. is organized for profit with a place of business located
17 in New Jersey; d. operates primarily within New Jersey; and e. does
18 not exceed the applicable federal size standard for its industry as
19 established under 13 C.F.R. Part 121.

20 “Life sciences” means the discovery, production, or development
21 of medical equipment, ophthalmic goods, medical or dental
22 instruments, diagnostic substances, biopharmaceutical products, or
23 physical and biological research.

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25 2. (New section) a. The authority shall establish and
26 administer a small business matching grant program for the purpose
27 of awarding grants to eligible small businesses that are engaged in
28 life sciences.

29 b. Grants may be made on a matching dollar for dollar basis in
30 the amount of federal grants received in accordance with subsection
31 d. of this section to eligible small businesses up to a maximum of
32 \$250,000. The funds may be applied to any aspect of the business
33 that supports its life sciences operations as determined by the
34 authority.

35 c. In order to be eligible for a grant, a business, at the time of
36 application, shall provide proof that it:

37 (1) is an eligible small business engaged primarily engaged in
38 life sciences as determined by the authority; and

39 (2) has received a Phase II or post Phase II Small Business
40 Innovation Research grant from a federal agency or a Phase II or
41 post Phase II Small Business Technology Transfer Program grant
42 from a federal agency, or equivalent small business innovation or
43 small business technology transfer grant from a federal agency.

44 d. An application for a small business matching grant shall not
45 be approved if:

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.

- 1 (1) the business has raised \$10,000,000 or more in total equity
2 financing;
- 3 (2) the business is more than 50 percent owned by a parent
4 company that is an operating or holding company and has raised
5 \$10,000,000 or more in total equity financing or has received
6 \$10,000,000 or more financing from the parent company; or
- 7 (3) the business is more than 50 percent owned by a parent that
8 is determined by the authority to be an investment company,
9 investment partnership, or investment fund and has received
10 \$10,000,000 or more in financing from the parent company.
- 11 e. A business seeking to participate in the small business
12 matching grant program shall submit an application in a form and
13 manner as the authority shall require. The application shall include
14 information the authority determines is necessary to administer the
15 grant program.
- 16 f. The authority shall review and may approve an application
17 for the grant program. The authority shall issue payment of the
18 grant amount pursuant to a series of scheduled payments as the
19 authority may determine and subject to the submission of proof by
20 an approved applicant of the expenditures contributing to the retail
21 investment. A grantee that fails to comply with a grant agreement
22 made as a condition of a grant award shall repay any grant amount
23 received and, if so determined by the authority, shall pay a penalty
24 not in excess of 10 percent of the grant amount.
- 25
- 26 3. (New section) a. The authority shall establish and maintain
27 the program established pursuant to section 2 of P.L. ,
28 c. (C.) (pending before the Legislature as this bill) with
29 monies to be used by the authority for the purposes specified in
30 P.L. , c. (C.) (pending before the Legislature as this bill).
31 Monies to be utilized by the program shall include, but not be
32 limited to:
- 33 (1) monies from the “Securities Enforcement Fund” account
34 continued pursuant to section 15 of P.L.1985, c.405 (C.49:3-66.1),
35 transferred to the authority pursuant to section 5 of P.L. ,
36 c. (C.) (pending before the Legislature as this bill), that the
37 authority determines are necessary in response to the demand for
38 the program up to \$750,000 per year;
- 39 (2) monies as may be available to the authority from other
40 business development programs administered by the authority or
41 other State agencies or authorities, which monies the authority
42 determines to be necessary in light of the volume of applications
43 from qualified businesses for grants under the program as necessary
44 to implement the purposes of P.L. , c. (C.) (pending before
45 the Legislature as this bill); and
- 46 (3) other monies as may be made available to the authority from
47 public or private sources.

b. Monies in the program which are not allocated for current in section 1 of P.L.2019, c.150, the annual appropriations act for State fiscal year 2020, is amended to read as follows: responsibilities of the program may be invested by the authority in any direct obligations as to which principal and interest are guaranteed by the United States of America or any other obligation deemed appropriate by the authority.

4. (New section) The authority may adopt such rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as may be necessary to effectuate the purposes of this act.

5. The following language provision

66 DEPARTMENT OF LAW AND PUBLIC SAFETY

80 Special Government Services

82 Protection of Citizens' Rights

DIRECT STATE SERVICES

The amount hereinabove appropriated for the Securities Enforcement Fund account is payable from receipts from fees and penalties deposited in the Securities Enforcement Fund pursuant to section 15 of P.L.1985, c.405 (C.49:3-66.1). Notwithstanding the provisions of any law or regulation to the contrary, an amount not less than that anticipated as General Fund revenue from receipts from fees and penalties collected by the Securities Enforcement Fund shall be transferred to the General Fund as State revenue by April 1. The unexpended balance at the end of the preceding fiscal year is appropriated to the Securities Enforcement Fund program account to offset the cost of operating this program and for use by the Department of Law and Public Safety to support departmental efforts related to suicide and violence prevention, fire safety, anti-gang activities, background checks and investigations required by law, critical equipment or facility needs, and unanticipated public safety or citizen protection needs, subject to the approval of the Director of the Division of Budget and Accounting; provided, however, that of such unexpended balances, the sum of \$2,500,000 is transferred to the Department of the Treasury and is appropriated to the New Jersey Economic Development Authority for the small business grant program established

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Under the program, matching grants of up to \$250,000 are to be awarded to eligible small businesses that are primarily engaged in life sciences as determined by the authority and have received a federal Phase II or post Phase II Small Business Innovation Research grant from a federal agency or a federal Phase II or post Phase II Small Business Technology Transfer Program grant from a federal agency.

43 Monies in the program which are not allocated for current
44 responsibilities of the program may be invested by the authority in
45 any direct obligations as to which principal and interest are
46 guaranteed by the United States of America or any other obligation
47 deemed appropriate by the authority.