SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2199

STATE OF NEW JERSEY

DATED: DECEMBER 8, 2020

The Senate Community and Urban Affairs Committee reports favorably Senate Bill No. 2199.

This bill would amend the "Grow New Jersey Assistance Act" ("GROWNJ") to qualify certain assisted living facilities for GROWNJ program tax credits.

Generally, the GROWNJ program does not provide economic incentives to a business at a location used for final point of sale retail business. Current law contains exceptions to this general provision to further other public policy objectives. Assisted living facilities commonly include retail shops on-site to provide their residents with ready access to goods and services. Because of this feature, the GROWNJ program "final point of sale retail" exclusion makes the GROWNJ program tax credits unavailable to encourage the creation or retention of jobs at assisted living facilities.

The bill would amend the GROWNJ program statute to exclude an assisted living facility from the law's "final point of sale retail" restriction if 75 percent or more of the assisted living facility's units are financed with federal Low-Income Housing Tax Credits. Imposition of this requirement will limit applicability of the bill's exclusion from the GROWNJ "final point of sale retail" restriction to assisted living facilities that have set aside a high percentage of assisted living apartment units for low- and moderate-income, Medicaid-eligible senior citizens, who are in need of long-term supportive care.

Presently, the GROWNJ program is not accepting any applications and so the expansion of eligibility under the bill would only be applicable if the program is reopened to new applicants.