

SENATE, No. 2521

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 4, 2020

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

Co-Sponsored by:

Senator Turner

SYNOPSIS

Requires EDA to publish information related to certain EDA financial assistance offered in response to emergency declared by Governor.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 7/6/2020)

1 **AN ACT** concerning the publication of information related to certain
 2 financial assistance offered by the New Jersey Economic
 3 Development Authority in response to an emergency declared by
 4 the Governor, and amending P.L.1974, c.80 and P.L.1992, c.16.

5
 6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
 7 *of New Jersey:*

8
 9 1. Section 5 of P.L.1974, c.80 (C.34:1B-5) is amended to read
 10 as follows:

11 5. The authority shall have the following powers:

12 a. To adopt bylaws for the regulation of its affairs and the
 13 conduct of its business;

14 b. To adopt and have a seal and to alter the same at pleasure;

15 c. To sue and be sued;

16 d. To acquire in the name of the authority by purchase or
 17 otherwise, on such terms and conditions and such manner as it may
 18 deem proper, or by the exercise of the power of eminent domain in
 19 the manner provided by the "Eminent Domain Act of 1971,"
 20 P.L.1971, c.361 (C.20:3-1 et seq.), any lands or interests therein or
 21 other property which it may determine is reasonably necessary for
 22 any project; provided, however, that the authority in connection
 23 with any project shall not take by exercise of the power of eminent
 24 domain any real property except upon consent thereto given by
 25 resolution of the governing body of the municipality in which such
 26 real property is located; and provided further that the authority shall
 27 be limited in its exercise of the power of eminent domain in
 28 connection with any project in qualifying municipalities as defined
 29 under the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.), or to
 30 municipalities which had a population, according to the latest
 31 federal decennial census, in excess of 10,000;

32 e. To enter into contracts with a person upon such terms and
 33 conditions as the authority shall determine to be reasonable,
 34 including, but not limited to, reimbursement for the planning,
 35 designing, financing, construction, reconstruction, improvement,
 36 equipping, furnishing, operation and maintenance of the project and
 37 to pay or compromise any claims arising therefrom;

38 f. To establish and maintain reserve and insurance funds with
 39 respect to the financing of the project or the school facilities project
 40 and any project financed pursuant to the "Municipal Rehabilitation
 41 and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et
 42 al.);

43 g. To sell, convey or lease to any person all or any portion of a
 44 project for such consideration and upon such terms as the authority
 45 may determine to be reasonable;

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 h. To mortgage, pledge or assign or otherwise encumber all or
2 any portion of a project, or revenues, whenever it shall find such
3 action to be in furtherance of the purposes of this act, P.L.2000,
4 c.72 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and
5 Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.),
6 P.L.2007, c.137 (C.52:18A-235 et al.), and sections 3 through 18 of
7 P.L.2009, c.90 (C.52:27D-489c et al.);

8 i. To grant options to purchase or renew a lease for any of its
9 projects on such terms as the authority may determine to be
10 reasonable;

11 j. To contract for and to accept any gifts or grants or loans of
12 funds or property or financial or other aid in any form from the
13 United States of America or any agency or instrumentality thereof,
14 or from the State or any agency, instrumentality or political
15 subdivision thereof, or from any other source and to comply,
16 subject to the provisions of P.L.1974, c.80 (C.34:1B-1 et seq.),
17 section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72
18 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic
19 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and
20 P.L.2007, c.137 (C.52:18A-235 et al.), with the terms and
21 conditions thereof;

22 k. In connection with any action undertaken by the authority in
23 the performance of its duties and any application for assistance or
24 commitments therefor and modifications thereof, to require and
25 collect such fees and charges as the authority shall determine to be
26 reasonable, including but not limited to fees and charges for the
27 authority's administrative, organizational, insurance, operating,
28 legal, and other expenses;

29 l. To adopt, amend and repeal regulations to carry out the
30 provisions of P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of
31 P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.),
32 the "Municipal Rehabilitation and Economic Recovery Act,"
33 P.L.2002, c.43 (C.52:27BBB-1 et al.), and P.L.2007, c.137
34 (C.52:18A-235 et al.);

35 m. To acquire, purchase, manage and operate, hold and dispose
36 of real and personal property or interests therein, take assignments
37 of rentals and leases and make and enter into all contracts, leases,
38 agreements and arrangements necessary or incidental to the
39 performance of its duties;

40 n. To purchase, acquire and take assignments of notes,
41 mortgages and other forms of security and evidences of
42 indebtedness;

43 o. To purchase, acquire, attach, seize, accept or take title to any
44 project or school facilities project by conveyance or by foreclosure,
45 and sell, lease, manage or operate any project or school facilities
46 project for a use specified in this act, P.L.2000, c.72 (C.18A:7G-1
47 et al.), the "Municipal Rehabilitation and Economic Recovery Act,"
48 P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-

1 235 et al.), and sections 3 through 18 of P.L.2009, c.90 (C.52:27D-
2 489c et al.);

3 p. To borrow money and to issue bonds of the authority and to
4 provide for the rights of the holders thereof, as provided in
5 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401
6 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal
7 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
8 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and
9 sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.);

10 q. To extend credit or make loans to any person for the
11 planning, designing, acquiring, constructing, reconstructing,
12 improving, equipping and furnishing of a project or school facilities
13 project, which credits or loans may be secured by loan and security
14 agreements, mortgages, leases and any other instruments, upon such
15 terms and conditions as the authority shall deem reasonable,
16 including provision for the establishment and maintenance of
17 reserve and insurance funds, and to require the inclusion in any
18 mortgage, lease, contract, loan and security agreement or other
19 instrument, of such provisions for the construction, use, operation
20 and maintenance and financing of a project or school facilities
21 project as the authority may deem necessary or desirable;

22 r. To guarantee up to 90% of the amount of a loan to a person,
23 if the proceeds of the loan are to be applied to the purchase and
24 installation, in a building devoted to industrial or commercial
25 purposes, or in an office building, of an energy improvement
26 system;

27 s. To employ consulting engineers, architects, attorneys, real
28 estate counselors, appraisers, and such other consultants and
29 employees as may be required in the judgment of the redevelopment
30 utility to carry out the purposes of P.L.1974, c.80 (C.34:1B-1 et
31 seq.), section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72
32 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic
33 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007,
34 c.137 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009,
35 c.90 (C.52:27D-489c et al.), and to fix and pay their compensation
36 from funds available to the redevelopment utility therefor, all
37 without regard to the provisions of Title 11A of the New Jersey
38 Statutes;

39 t. To do and perform any acts and things authorized by
40 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401
41 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal
42 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
43 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and
44 sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.),
45 under, through or by means of its own officers, agents and
46 employees, or by contract with any person;

- 1 u. To procure insurance against any losses in connection with
2 its property, operations or assets in such amounts and from such
3 insurers as it deems desirable;
- 4 v. To do any and all things necessary or convenient to carry out
5 its purposes and exercise the powers given and granted in P.L.1974,
6 c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401 (C.34:1B-
7 4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal
8 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
9 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and
10 sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.);
- 11 w. To construct, reconstruct, rehabilitate, improve, alter, equip,
12 maintain or repair or provide for the construction, reconstruction,
13 improvement, alteration, equipping or maintenance or repair of any
14 development property and lot, award and enter into construction
15 contracts, purchase orders and other contracts with respect thereto,
16 upon such terms and conditions as the authority shall determine to
17 be reasonable, including, but not limited to, reimbursement for the
18 planning, designing, financing, construction, reconstruction,
19 improvement, equipping, furnishing, operation and maintenance of
20 any such development property and the settlement of any claims
21 arising therefrom and the establishment and maintenance of reserve
22 funds with respect to the financing of such development property;
- 23 x. When authorized by the governing body of a municipality
24 exercising jurisdiction over an urban growth zone, to construct,
25 cause to be constructed or to provide financial assistance to projects
26 in an urban growth zone which shall be exempt from the terms and
27 requirements of the land use ordinances and regulations, including,
28 but not limited to, the master plan and zoning ordinances, of such
29 municipality;
- 30 y. To enter into business employment incentive agreements as
31 provided in the "Business Employment Incentive Program Act,"
32 P.L.1996, c.26 (C.34:1B-124 et al.);
- 33 z. To enter into agreements or contracts, execute instruments,
34 and do and perform all acts or things necessary, convenient or
35 desirable for the purposes of the redevelopment utility to carry out
36 any power expressly provided pursuant to P.L.1974, c.80 (C.34:1B-
37 1 et seq.), P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007, c.137
38 (C.52:18A-235 et al.), including, but not limited to, entering into
39 contracts with the State Treasurer, the Commissioner of Education,
40 districts, the New Jersey Schools Development Authority, and any
41 other entity which may be required in order to carry out the
42 provisions of P.L.2000, c.72 (C.18A:7G-1 et al.), P.L.2007, c.137
43 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009, c.90
44 (C.52:27D-489c et al.);
- 45 aa. (Deleted by amendment, P.L.2007, c.137);
- 46 bb. To make and contract to make loans to local units to finance
47 the cost of school facilities projects and to acquire and contract to
48 acquire bonds, notes or other obligations issued or to be issued by

1 local units to evidence the loans, all in accordance with the
2 provisions of P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007,
3 c.137 (C.52:18A-235 et al.);

4 cc. Subject to any agreement with holders of its bonds issued to
5 finance a project or school facilities project, obtain as security or to
6 provide liquidity for payment of all or any part of the principal of
7 and interest and premium on the bonds of the authority or for the
8 purchase upon tender or otherwise of the bonds, lines of credit,
9 letters of credit, reimbursement agreements, interest rate exchange
10 agreements, currency exchange agreements, interest rate floors or
11 caps, options, puts or calls to hedge payment, currency, rate, spread
12 or similar exposure or similar agreements, float agreements,
13 forward agreements, insurance contract, surety bond, commitment
14 to purchase or sell bonds, purchase or sale agreement, or
15 commitments or other contracts or agreements, and other security
16 agreements or instruments in any amounts and upon any terms as
17 the authority may determine and pay any fees and expenses required
18 in connection therewith;

19 dd. To charge to and collect from local units, the State and any
20 other person, any fees and charges in connection with the
21 authority's actions undertaken with respect to school facilities
22 projects, including, but not limited to, fees and charges for the
23 authority's administrative, organization, insurance, operating and
24 other expenses incident to the financing of school facilities projects;

25 ee. To make loans to refinance solid waste facility bonds
26 through the issuance of bonds or other obligations and the execution
27 of any agreements with counties or public authorities to effect the
28 refunding or rescheduling of solid waste facility bonds, or otherwise
29 provide for the payment of all or a portion of any series of solid
30 waste facility bonds. Any county or public authority refunding or
31 rescheduling its solid waste facility bonds pursuant to this
32 subsection shall provide for the payment of not less than fifty
33 percent of the aggregate debt service for the refunded or
34 rescheduled debt of the particular county or public authority for the
35 duration of the loan; except that, whenever the solid waste facility
36 bonds to be refinanced were issued by a public authority and the
37 county solid waste facility was utilized as a regional county solid
38 waste facility, as designated in the respective adopted district solid
39 waste management plans of the participating counties as approved
40 by the department prior to November 10, 1997, and the utilization
41 of the facility was established pursuant to tonnage obligations set
42 forth in their respective interdistrict agreements, the public
43 authority refunding or rescheduling its solid waste facility bonds
44 pursuant to this subsection shall provide for the payment of a
45 percentage of the aggregate debt service for the refunded or
46 rescheduled debt of the public authority not to exceed the
47 percentage of the specified tonnage obligation of the host county for
48 the duration of the loan. Whenever the solid waste facility bonds

1 are the obligation of a public authority, the relevant county shall
2 execute a deficiency agreement with the authority, which shall
3 provide that the county pledges to cover any shortfall and to pay
4 deficiencies in scheduled repayment obligations of the public
5 authority. All costs associated with the issuance of bonds pursuant
6 to this subsection may be paid by the authority from the proceeds of
7 these bonds. Any county or public authority is hereby authorized to
8 enter into any agreement with the authority necessary, desirable or
9 convenient to effectuate the provisions of this subsection.

10 The authority shall not issue bonds or other obligations to effect
11 the refunding or rescheduling of solid waste facility bonds after
12 December 31, 2002. The authority may refund its own bonds issued
13 for the purposes herein at any time;

14 ff. To pool loans for any local government units that are
15 refunding bonds and do and perform any and all acts or things
16 necessary, convenient or desirable for the purpose of the authority
17 to achieve more favorable interest rates and terms for those local
18 governmental units;

19 gg. To finance projects approved by the board, provide staff
20 support to the board, oversee and monitor progress on the part of
21 the board in carrying out the revitalization, economic development
22 and restoration projects authorized pursuant to the "Municipal
23 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
24 (C.52:27BBB-1 et al.) and otherwise fulfilling its responsibilities
25 pursuant thereto;

26 hh. To offer financial assistance to qualified film production
27 companies as provided in the "New Jersey Film Production
28 Assistance Act," P.L.2003, c.182 (C.34:1B-178 et al.);

29 ii. To finance or develop private or public parking facilities or
30 structures, which may include the use of solar photovoltaic
31 equipment, in municipalities qualified to receive State aid pursuant
32 to the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.) and
33 municipalities that contain areas designated pursuant to P.L.1985,
34 c.398 (C.52:18A-196 et al.) as Planning Area 1 (Metropolitan),
35 Planning Area 2 (Suburban), or a town center, and to provide
36 appropriate assistance, including but not limited to, extensions of
37 credit, loans, and guarantees, to municipalities qualified to receive
38 State aid pursuant to the provisions of P.L.1978, c.14 (C.52:27D-
39 178 et seq.) and municipalities that contain areas designated
40 pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning
41 Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town
42 center, and their agencies and instrumentalities or to private entities
43 whose projects are located in those municipalities, in order to
44 facilitate the financing and development of parking facilities or
45 structures in such municipalities. The authority may serve as the
46 issuing agent of bonds to finance the undertaking of a project for
47 the purposes of this subsection; and

1 jj. To make grants for the planning, designing, acquiring,
2 constructing, reconstructing, improving, equipping, and furnishing
3 of a project, including, but not limited to, grants for working capital
4 and meeting payroll requirements, upon such terms and conditions
5 as the authority shall deem reasonable, during periods of emergency
6 declared by the Governor and for the duration of economic
7 disruptions due to the emergency. The authority shall publish on its
8 Internet website a list of all applicants seeking authority assistance,
9 pursuant to this subsection, during periods of emergency declared
10 by the Governor and for the duration of economic disruptions due to
11 the emergency, whether the applicant was approved for or was
12 denied authority assistance, and the amount of assistance granted to
13 an approved applicant.

14 (cf: P.L.2020, c.8, s.1)

15

16 2. Section 4 of P.L.1992, c.16 (C.34:1B-7.13) is amended to
17 read as follows:

18 4. The authority may use the moneys in the fund to pay
19 principal of, premium, if any, and interest on bonds or notes, which
20 shall be entitled "Economic Recovery Fund Bonds or Notes," as
21 appropriate, the proceeds, or net proceeds, of which shall be
22 deposited into the fund, or used for purposes of the fund, and
23 moneys in the fund, including money received from the sale of
24 bonds shall, in such manner as is determined by the authority, and
25 pursuant to subsections d., e., and f. of this section, be used for the
26 financing of projects as set forth in section 3 of P.L.1974, c.80
27 (C.34:1B-3) and to establish:

28 a. an economic growth account for business programs, which
29 will invest in small and medium-size businesses that have the
30 greatest potential for creating jobs and stimulating economic growth
31 through such elements as a Statewide lending pool for small
32 business, a business composite bond guarantee, a fund to further
33 supplement the export finance program of the authority to provide
34 direct loans and working capital necessary for New Jersey
35 businesses to compete in the global market, real estate partnerships,
36 a Statewide composite bond pool to assist municipalities in
37 acquiring needed financing for capital expenditures, community-
38 based assistance to assist municipalities in establishing local
39 development corporations to stimulate economic development, a
40 venture capital fund for start-up costs for businesses developing
41 new concepts and inventions, a fund to assist businesses with
42 expansion in such areas as manufacturing retooling to improve
43 quality, to reduce production costs and to train employees to apply
44 the latest technology, and a "Main Street Business Assistance
45 Program" to provide guarantees and loans to small and mid-size
46 businesses and not-for-profit corporations to stimulate the economy.
47 The authority may promulgate rules and regulations for the
48 effective implementation of the "Main Street Business Assistance

1 Program." Notwithstanding any provision of the "Administrative
2 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
3 contrary, the authority may adopt, immediately upon filing with the
4 Office of Administrative Law, such regulations as are necessary to
5 implement the provisions of this act, which shall be effective for a
6 period not to exceed 12 months following enactment, and may
7 thereafter be amended, adopted, or readopted by the authority in
8 accordance with the requirements of the "Administrative Procedure
9 Act," P.L.1968, c.410 (C.52:14B-1 et seq.). During periods of
10 emergency declared by the Governor and for the duration of
11 economic disruptions due to the emergency, the authority may use
12 the economic growth account for the planning, designing, acquiring,
13 constructing, reconstructing, improving, equipping, and furnishing
14 by small and medium-size businesses and not-for-profit
15 corporations of a project as defined in section 3 of P.L.1974, c.80
16 (C.34:1B-3), including, but not limited to, grants for working
17 capital and meeting payroll requirements, upon such terms and
18 conditions as the authority shall deem reasonable. The authority
19 shall publish on its Internet website a list of all applicants seeking
20 authority assistance, pursuant to this subsection, during periods of
21 emergency declared by the Governor and for the duration of
22 economic disruptions due to the emergency, whether the applicant
23 was approved for or was denied authority assistance, and the
24 amount of assistance granted to an approved applicant;

25 b. an economic development infrastructure program account,
26 which shall provide for the financing and development of
27 infrastructure and transportation projects, including but not limited
28 to ports, terminal and transit facilities, roads and airports, parking
29 facilities used in connection with transit facilities, and related
30 facilities, including public-private partnerships, that are integral to
31 economic growth;

32 c. an account for a cultural, recreational, fine and performing
33 arts, military and veterans memorial, historic preservation project
34 and tourism facilities and improvements program, which shall
35 provide for the financing and development of cultural, recreational,
36 fine and performing arts, military and veterans memorial, historic
37 preservation and tourism projects, including partnerships with
38 public, private and nonprofit entities;

39 d. an account, into which shall be deposited an amount not less
40 than \$45,000,000, out of the total amounts deposited or credited to
41 the fund from the proceeds of the sale of Economic Recovery Fund
42 Bonds or Notes, for the financing of capital facilities for primary
43 and secondary schools in the State for the purpose of the
44 renovation, repair or alteration of existing school buildings, the
45 construction of new school buildings or the conversion of existing
46 school buildings to other instructional purposes.

47 (1) Of the amount deposited in the account, not less than
48 \$25,000,000 shall be deposited in the "Public School Facilities

1 Code Compliance Loan Fund" established pursuant to section 4 of
2 P.L.1993, c.102 (C.34:1B-7.23).

3 (2) Of the amount deposited in the account, not less than
4 \$20,000,000 shall be deposited in the "Public School Facilities
5 Loan Assistance Fund" established pursuant to section 5 of
6 P.L.1993, c.102 (C.34:1B-7.24);

7 e. an environmental cleanup assistance account, into which
8 shall be deposited an amount not less than \$10,000,000, out of the
9 total amounts deposited or credited to the fund from the proceeds of
10 the sale of Economic Recovery Fund Bonds or Notes, to provide
11 financial assistance to the persons and other entities entitled to
12 apply for financial assistance pursuant to P.L.1993, c.139; and

13 f. an account, into which shall be deposited an amount not less
14 than \$15,000,000, out of the total amounts deposited or credited to
15 the fund from the proceeds of the sale of Economic Recovery Fund
16 Bonds or Notes, for the financing of shore restoration, maintenance,
17 monitoring, protection and preservation projects pursuant to the
18 shore protection master plan prepared by the Department of
19 Environmental Protection pursuant to P.L.1978, c.157.
20 (cf: P.L.2020, c.8, s.2)

21

22 3. This act shall take effect immediately.

23

24

25 STATEMENT

26

27 This bill requires the New Jersey Economic Development
28 Authority (EDA) to publish on its Internet website a list of all
29 applicants seeking EDA assistance during periods of emergency
30 declared by the Governor and for the duration of economic
31 disruptions due to the emergency, whether the applicant was
32 approved for or denied EDA assistance, and the amount of
33 assistance granted to an approved applicant.