

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3336

STATE OF NEW JERSEY

DATED: MARCH 11, 2021

The Senate Economic Growth Committee reports favorably Senate Bill No. 3336.

As reported, this bill requires the New Jersey Economic Development Authority (EDA) to establish a program that provides grant funding to a qualified small hospitality business for the purchase or reimbursement of its costs of barriers, blankets, heaters, and tents used for the preparation and outdoor operation of an establishment of the hospitality business during periods of cold and other inclement weather. The bill defines a “qualified small hospitality business” (hospitality business) as a business owning a restaurant or dining establishment, or any bar, brewery, brewpub, winery, or other establishment serving alcoholic beverages on its premises at which 100 or fewer workers are employed at a location in this State and where the business has applied for and has been approved by the EDA for participation in the program.

The EDA is to enter into an agreement with a hospitality business concerning the EDA's provision of grant funding to a hospitality business for this purpose. The bill prohibits the EDA from providing more than \$10,000 in grant funding to each hospitality business approved by the EDA for participation in the program.

The bill requires the EDA to establish and maintain a fund to provide grant funding to a hospitality business that participates in the program and to administer the program. The fund is to be credited with \$50,000,000 from an appropriation made to the EDA. The fund may be credited with moneys made available by the EDA for the purpose of the fund and moneys received by the EDA from any other public or private donations.

In administering the program and the fund, the EDA is to establish: procedures and timelines for applications for the program; criteria for determining grant funding to be disbursed from the fund to a hospitality business; reporting requirements for a hospitality business accepted into the program and its receiving grant funding from the fund; and any other policies deemed necessary by the EDA for the administration of the program and the fund. The bill requires a hospitality business receiving grant funding under the program to issue a report to the EDA. The report is to include: proof that the hospitality business used grant funding to purchase barriers, blankets, heaters, and

tents at the hospitality business; and any other information the EDA requires in a form and manner determined by the EDA.

The bill appropriates from the General Fund to the EDA \$50,000,000 from a portion of those federal block grant funds allocated to the State from the federal “Coronavirus Relief Fund,” or from any other source of funds available to the State pursuant to federal law, for use by the EDA to provide grant funding to hospitality businesses that participate in the program and to administer the program.