

ASSEMBLY, No. 2892

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED FEBRUARY 28, 2022

Sponsored by:

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

SYNOPSIS

Provides incentives for certain businesses associated with military installations.

CURRENT VERSION OF TEXT

As introduced.



A2892 DEANGELO

2

1 AN ACT concerning incentives for certain businesses associated
2 with military installations, amending various parts of the
3 statutory law, and repealing section 3 of P.L.2019, c.240.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 1 of P.L.2011, c.201 (C.34:1B-241.1) is amended to
9 read as follows:

10 1. As used in P.L.2011, c.201 (C.34:1B-241.1 et seq.):

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

13 "Department" means the Department of Agriculture established
14 pursuant to R.S.4:1-1.

15 "Eligible farming operation" means two or more business entities
16 that are engaged in farming operations in the State, that are
17 applying together for participation in the small business loan
18 program established pursuant to section 2 of P.L.2019, c.240
19 (C.34:1B-241.2), and that, at the time of the application, are
20 independently owned and operated, participate in an agricultural
21 commodity or product marketing and development program
22 operated by the Department of Agriculture, and satisfy other criteria
23 that may be established by the authority pursuant to P.L.2019,
24 c.240.

25 "Eligible small business" means a business entity that, at the time
26 of application for participation in the small business loan program
27 established pursuant to section 2 of P.L.2011, c.201 (C.34:1B-
28 241.2), is independently owned and operated, operates primarily
29 within this State, and which satisfies other criteria that may be
30 established by the authority. "Eligible small business" shall include
31 qualified dairy farmers **[and]**, eligible farming operations, and
32 military support businesses.

33 "Farm equipment" means equipment used directly for farming
34 operations.

35 "Farming operations" mean any activities connected to the
36 commercial growing, harvesting, processing, producing, or raising
37 of agricultural products in the State, including crops, dairy animals,
38 livestock, fur-bearing animals, poultry, bees, crops used in
39 fermented alcoholic beverages and wine, and any products
40 therefrom, including organic agricultural products; aquacultural
41 products; horticultural products; and silviculture products.

42 "Military installation" means a facility under operation by any
43 branch of the Armed Forces of the United States, including but not
44 limited to, the United States Coast Guard and the National Guard of
45 this State.

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 “Military support business” means a small business that conducts
2 innovative projects involving science, technology, engineering,
3 math, or research and development, which projects are related to
4 and supportive of the missions and operations of a New Jersey
5 military installation, and which business is located within a five-
6 mile radius of the outer boundary of a military installation in this
7 State.

8 "Qualified dairy farmer" means a person or business entity that
9 produces valued-added dairy products and that, at the time of
10 application for participation in the small business loan program and
11 receipt of a loan under the program, is independently owned and
12 operated, operates primarily within this State, and satisfies other
13 criteria that may be established by the authority.

14 "Value-added dairy product" means a dairy product created by a
15 qualified dairy farmer by means of a change in the physical state of
16 a dairy commodity, and shall include, but not be limited to, cheese,
17 cultured sour cream, yogurt, kefir, butter, ice cream, evaporated
18 milk, condensed milk, and concentrated milk.

19 (cf: P.L.2019, c.240, s.1)

20

21 2. Section 2 of P.L.2011, c.201 (C.34:1B-241.2) is amended to
22 read as follows:

23 2. a. The authority shall maintain and administer a small
24 business loan program for the purpose of providing loans to eligible
25 small businesses. The authority shall consult with the department
26 in administering the small business loan program as it applies to:
27 (1) an eligible small business that is an eligible farming operation;
28 (2) defining the types of dairy products that shall be considered as
29 value-added dairy products under the small business loan program,
30 not inconsistent with section 1 of P.L.2019, c.240 (C.34:1B-241.1);
31 (3) developing small business loan program guidelines for qualified
32 dairy farmers and eligible farming operations; and (4) developing
33 materials to provide to qualified dairy farmers seeking to expand
34 value-added dairy production in this State.

35 b. (1) Loans made through the small business loan program
36 may be made to an eligible small business. The loan funds may be
37 applied to any aspect of the eligible small business that supports its
38 capital purchases, employee training, and salaries for new positions
39 as determined by the authority.

40 (2) Notwithstanding paragraph (1) of subsection b. of this
41 section, loans made by the authority to an eligible farming
42 operation may only be applied to aspects of the eligible farming
43 operation that support the farming operation's farm equipment
44 purchases, as determined by the authority. Farm equipment
45 purchased from loan funds made pursuant to P.L.2019, c.240 shall
46 be used by all of the business entities in the eligible farming
47 operation.

1 (3) Two or more business entities engaged in farming operations
2 in the State seeking to participate in the loan program established
3 pursuant to subsection a. of this section shall submit a joint
4 application in a form as the authority shall require and shall include
5 information as the authority determines is necessary in
6 consideration of a loan authorized pursuant to P.L.2019, c.240.

7 c. (1) In order to receive a loan pursuant to the small business
8 loan program, a business, at the time of application, shall provide
9 proof that it is an eligible small business and shall enter into a small
10 business loan agreement with the authority.

11 (2) In order to receive a loan from the authority pursuant to
12 P.L.2019, c.240, a business entity engaged in farming operations in
13 the State, at the time of application, shall provide proof, in a manner
14 determined by the authority, that it and at least one other business
15 entity meet the requirements to be an eligible farming operation,
16 including, but not limited to, proof that each business entity is
17 engaged in farming operations in the State and will use the farm
18 equipment purchased with the loan funds.

19 d. The authority shall review and may approve applications for
20 the small business loan program.

21 e. A business seeking to participate in the small business loan
22 program shall submit an application in a form as the authority shall
23 require. The application shall include information the authority
24 shall determine is necessary in consideration of the provisions of
25 P.L.2011, c.123 (C.52:14B-21.1 et seq.).

26 f. Loans to an eligible small business under this section shall:

27 (1) be made pursuant to a small business loan agreement made
28 pursuant to subsection c. of this section;

29 (2) except as provided in this subsection, bear interest at rates
30 and terms deemed appropriate by the authority; and

31 (3) contain other terms and conditions considered appropriate by
32 the authority that are consistent with the purposes of P.L.2011,
33 c.201 (C.34:1B-241.1 et seq.) and with rules and regulations
34 adopted by the authority pursuant to section 3 of P.L.2011, c.201
35 (C.34:1B-241.3).

36 The authority shall offer reduced interest rate loans to qualified
37 military support businesses of which shall be up to 25 basis points
38 lower than the average interest rate charged by the authority.

39 The provisions of a loan agreement with an eligible farming
40 operation shall include, but need not be limited to, a statement of an
41 eligible farming operation's proportional shares of ownership, its
42 farm equipment usage and maintenance responsibilities, and its loan
43 repayment responsibilities for any loan proceeds received under the
44 loan program.

45 g. The authority may, in its discretion, require an eligible small
46 business that receives a loan under the small business loan program
47 administered pursuant to P.L.2011, c.201 (C.34:1B-241.1 et seq.) to
48 submit an audited financial statement to the authority in order to

1 ensure the business's continued vitality. An audited financial
2 statement from an eligible farming operation shall include each
3 business entity in the eligible farming operation using the farm
4 equipment.

5 h. The authority may, either through the adoption of rules and
6 regulations, or through the terms of the small business loan
7 agreement made pursuant to subsection c. of this section, establish
8 terms governing the incidence of default by a recipient of a loan
9 under the small business loan program, administered pursuant to
10 P.L.2011, c.201 (C.34:1B-241.1 et seq.).

11 i. In determining whether to provide a loan to an eligible small
12 business, the authority shall consider, along with other criteria that
13 the authority in its discretion deems appropriate, whether the
14 business commits to increasing its full-time employment level in the
15 State.

16 (cf: P.L.2019, c.240, s.2)

17

18 3. Section 3 of P.L.2011, c.201 (C.34:1B-241.3) is amended to
19 read as follows:

20 3. The authority may adopt **[such]** rules and regulations,
21 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
22 (C.52:14B-1 et seq.), as may be necessary to effectuate the purposes
23 of P.L.2011, c.201 (C.34:1B-241.1 et seq.). The authority shall
24 consult with the department concerning the rules and regulations
25 applicable to loans made to qualified dairy farmers and eligible
26 farming operations. The authority shall consult with the
27 Department of Military and Veterans Affairs concerning the rules
28 and regulations applicable to loans made to qualified military
29 support businesses.

30 (cf: P.L.2011, c.201, s.3)

31

32 4. Section 2 of P.L.2011, c.149 (C.34:1B-243) is amended to
33 read as follows:

34 2. As used in P.L.2011, c.149 (C.34:1B-242 et seq.):

35 "Affiliate" means an entity that directly or indirectly controls, is
36 under common control with, or is controlled by the business.
37 Control exists in all cases in which the entity is a member of a
38 controlled group of corporations as defined pursuant to section 1563
39 of the Internal Revenue Code of 1986 (26 U.S.C. s.1563) or the
40 entity is an organization in a group of organizations under common
41 control as defined pursuant to subsection (b) or (c) of section 414 of
42 the Internal Revenue Code of 1986 (26 U.S.C. s.414). A taxpayer
43 may establish by clear and convincing evidence, as determined by
44 the Director of the Division of Taxation in the Department of the
45 Treasury, that control exists in situations involving lesser
46 percentages of ownership than required by those statutes. An
47 affiliate of a business may contribute to meeting either the qualified
48 investment or full-time employee requirements of a business that

1 applies for a credit under section 3 of P.L.2007, c.346 (C.34:1B-
2 209).

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

5 "Aviation district" means all areas within the boundaries of the
6 "Atlantic City International Airport," established pursuant to section
7 24 of P.L.1991, c.252 (C.27:25A-24), and the Federal Aviation
8 Administration William J. Hughes Technical Center and the area
9 within a one-mile radius of the outermost boundary of the "Atlantic
10 City International Airport" and the Federal Aviation Administration
11 William J. Hughes Technical Center.

12 "Business" means an applicant proposing to own or lease
13 premises in a qualified business facility that is:

14 a corporation that is subject to the tax imposed pursuant to
15 section 5 of P.L.1945, c.162 (C.54:10A-5);

16 a corporation that is subject to the tax imposed pursuant to
17 sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3),
18 section 1 of P.L.1950, c.231 (C.17:32-15) or N.J.S.17B:23-5;

19 a partnership;

20 an S corporation;

21 a limited liability company; or

22 a non-profit corporation.

23 If the business or tenant is a cooperative or part of a cooperative,
24 then the cooperative may qualify for credits by counting the full-
25 time employees and capital investments of its member
26 organizations, and the cooperative may distribute credits to its
27 member organizations. If the business or tenant is a cooperative
28 that leases to its member organizations, the lease shall be treated as
29 a lease to an affiliate or affiliates.

30 A business shall include an affiliate of the business if that
31 business applies for a credit based upon any capital investment
32 made by or full-time employees of an affiliate.

33 "Capital investment" in a qualified business facility means
34 expenses by a business or any affiliate of the business incurred after
35 application for:

36 a. site preparation and construction, repair, renovation,
37 improvement, equipping, or furnishing on real property or of a
38 building, structure, facility, or improvement to real property;

39 b. obtaining and installing furnishings and machinery,
40 apparatus, or equipment, including but not limited to material goods
41 subject to bonus depreciation under sections 168 and 179 of the
42 federal Internal Revenue Code (26 U.S.C. s.168 and s.179), for the
43 operation of a business on real property or in a building, structure,
44 facility, or improvement to real property;

45 c. receiving Highlands Development Credits under the
46 Highlands Transfer Development Rights Program authorized
47 pursuant to section 13 of P.L.2004, c.120 (C.13:20-13); or

48 d. any of the foregoing.

1 In addition to the foregoing, in a Garden State Growth Zone, the
2 following qualify as a capital investment: any development,
3 redevelopment, and relocation costs, including, but not limited to,
4 site acquisition if made within 24 months of application to the
5 authority, engineering, legal, accounting, and other professional
6 services required; and relocation, environmental remediation, and
7 infrastructure improvements for the project area, including, but not
8 limited to, on- and off-site utility, road, pier, wharf, bulkhead, or
9 sidewalk construction or repair.

10 In addition to the foregoing, if a business acquires or leases a
11 qualified business facility, the capital investment made or acquired
12 by the seller or owner, as the case may be, if pertaining primarily to
13 the premises of the qualified business facility, shall be considered a
14 capital investment by the business and, if pertaining generally to the
15 qualified business facility being acquired or leased, shall be
16 allocated to the premises of the qualified business facility on the
17 basis of the gross leasable area of the premises in relation to the
18 total gross leasable area in the qualified business facility. The
19 capital investment described herein may include any capital
20 investment made or acquired within 24 months prior to the date of
21 application so long as the amount of capital investment made or
22 acquired by the business, any affiliate of the business, or any owner
23 after the date of application equals at least 50 percent of the amount
24 of capital investment, allocated to the premises of the qualified
25 business facility being acquired or leased on the basis of the gross
26 leasable area of the premises in relation to the total gross leasable
27 area in the qualified business facility made or acquired prior to the
28 date of application.

29 "College or university" means a county college, an independent
30 institution of higher education, a public research university, or a
31 State college.

32 "Commitment period" means the period of time that is 1.5 times
33 the eligibility period.

34 "County college" means an educational institution established by
35 one or more counties, pursuant to chapter 64A of Title 18A of the
36 New Jersey Statutes.

37 "Deep poverty pocket" means a population census tract having a
38 poverty level of 20 percent or more, and which is located within the
39 qualified incentive area and has been determined by the authority to
40 be an area appropriate for development and in need of economic
41 development incentive assistance.

42 "Disaster recovery project" means a project located on property
43 that has been wholly or substantially damaged or destroyed as a
44 result of a federally-declared disaster which, after utilizing all
45 disaster funds available from federal, State, county, and local
46 funding sources, demonstrates to the satisfaction of the authority
47 that access to additional funding authorized pursuant to the "New
48 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161

1 (C.52:27D-489p et al.), is necessary to complete the redevelopment
2 project, and which is located within the qualified incentive area and
3 has been determined by the authority to be in an area appropriate
4 for development and in need of economic development incentive
5 assistance.

6 "Distressed municipality" means a municipality that is qualified
7 to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a
8 municipality under the supervision of the Local Finance Board
9 pursuant to the provisions of the "Local Government Supervision
10 Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality
11 identified by the Director of the Division of Local Government
12 Services in the Department of Community Affairs to be facing
13 serious fiscal distress, a SDA municipality, or a municipality in
14 which a major rail station is located.

15 "Doctoral university" means a university located within New
16 Jersey that is classified as a doctoral university under the Carnegie
17 Classification of Institutions of Higher Education's Basic
18 Classification methodology on the effective date of P.L.2017, c.221.

19 "Eligibility period" means the period in which a business may
20 claim a tax credit under the Grow New Jersey Assistance Program,
21 beginning with the tax period in which the authority accepts
22 certification of the business that it has met the capital investment
23 and employment requirements of the Grow New Jersey Assistance
24 Program and extending thereafter for a term of not more than 10
25 years, with the term to be determined solely at the discretion of the
26 applicant.

27 "Eligible position" or "full-time job" means a full-time position
28 in a business in this State, which position the business has filled
29 with a full-time employee, who shall have their primary office at
30 the qualified business facility and spend at least 60 percent of their
31 time at the qualified business facility. This requirement shall
32 supersede any law, regulation, or incentive agreement that imposes
33 a requirement that the employee be present at the qualified business
34 facility for a specified percentage of time greater than 60 percent.
35 This amendment shall not alter or terminate any waiver of the
36 requirement that an employee spend time at the qualified business
37 facility implemented by the authority due to COVID-19 public
38 health emergency and state of emergency.

39 "Full-time employee" means a person:

- 40 a. who is employed by a business for consideration for at least
41 35 hours a week, or who renders any other standard of service
42 generally accepted by custom or practice as full-time employment;
43 or
- 44 b. who is employed by a professional employer organization
45 pursuant to an employee leasing agreement between the business
46 and the professional employer organization, in accordance with
47 P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or
48 who renders any other standard of service generally accepted by

1 custom or practice as full-time employment, and whose wages are
2 subject to withholding as provided in the "New Jersey Gross
3 Income Tax Act," N.J.S.54A:1-1 et seq.; or

4 c. who is a resident of another State but whose income is not
5 subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1
6 et seq. or who is a partner of a business who works for the
7 partnership for at least 35 hours a week, or who renders any other
8 standard of service generally accepted by custom or practice as full-
9 time employment, and whose distributive share of income, gain,
10 loss, or deduction, or whose guaranteed payments, or any
11 combination thereof, is subject to the payment of estimated taxes, as
12 provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1
13 et seq.; and

14 d. who, except for purposes of the Statewide workforce, is
15 provided, by the business, with employee health benefits under a
16 health benefits plan authorized pursuant to State or federal law.

17 With respect to a logistics, manufacturing, energy, defense,
18 aviation, or maritime business, excluding primarily warehouse or
19 distribution operations, located in a port district having a container
20 terminal:

21 the requirement that employee health benefits are to be provided
22 shall be deemed to be satisfied if the benefits are provided in
23 accordance with industry practice by a third party obligated to
24 provide such benefits pursuant to a collective bargaining agreement;

25 full-time employment shall include, but not be limited to,
26 employees that have been hired by way of a labor union hiring hall
27 or its equivalent;

28 35 hours of employment per week at a qualified business facility
29 shall constitute one "full-time employee," regardless of whether or
30 not the hours of work were performed by one or more persons.

31 For any project located in a Garden State Growth Zone which
32 qualifies under the "Municipal Rehabilitation and Economic
33 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or any
34 project located in the Atlantic City Tourism District as established
35 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated
36 by the Casino Reinvestment Development Authority, and which
37 will include a retail facility of at least 150,000 square feet, of which
38 at least 50 percent will be occupied by either a full-service
39 supermarket or grocery store, 30 hours of employment per week at a
40 qualified business facility shall constitute one "full-time employee,"
41 regardless of whether the hours of work were performed by one or
42 more persons, and the requirement that employee health benefits are
43 to be provided shall be deemed to be satisfied if the employees of
44 the business are covered by a collective bargaining agreement.

45 "Full-time employee" shall not include any person who works as
46 an independent contractor or on a consulting basis for the business.

47 Full-time employee shall also not include any person who at the
48 time of project application works in New Jersey for consideration

1 for at least 35 hours per week, or who renders any other standard of
2 service generally accepted by custom or practice as full-time
3 employment but who prior to project application was not provided,
4 by the business, with employee health benefits under a health
5 benefits plan authorized pursuant to State or federal law.

6 "Garden State Create Zone" means the campus of a doctoral
7 university, and the area within a three-mile radius of the outermost
8 boundary of the campus of a doctoral university, according to a map
9 appearing in the doctoral university's official catalog or other
10 official publication on the effective date of P.L.2017, c.221.

11 "Garden State Growth Zone" or "growth zone" means the four
12 New Jersey cities with the lowest median family income based on
13 the 2009 American Community Survey from the US Census, (Table
14 708. Household, Family, and Per Capita Income and Individuals,
15 and Families Below Poverty Level by City: 2009); a municipality
16 which contains a Tourism District as established pursuant to section
17 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the Casino
18 Reinvestment Development Authority; or an aviation district.

19 "Highlands development credit receiving area or redevelopment
20 area" means an area located within a qualified incentive area and
21 designated by the Highlands Water Protection and Planning Council
22 for the receipt of Highlands Development Credits under the
23 Highlands Transfer Development Rights Program authorized
24 pursuant to section 13 of P.L.2004, c.120 (C.13:20-13).

25 "Incentive agreement" means the contract between the business
26 and the authority, which sets forth the terms and conditions under
27 which the business shall be eligible to receive the incentives
28 authorized pursuant to the program.

29 "Incentive effective date" means the date a business submits the
30 documentation required pursuant to paragraph (1) of subsection b.
31 of section 6 of P.L.2011, c.149 (C.34:1B-247) in a form satisfactory
32 to the authority.

33 "Independent institution of higher education" means a college or
34 university incorporated and located in New Jersey, which by virtue
35 of law or character or license is a nonprofit educational institution
36 authorized to grant academic degrees and which provides a level of
37 education which is equivalent to the education provided by the
38 State's public institutions of higher education, as attested by the
39 receipt of and continuation of regional accreditation by the Middle
40 States Association of Colleges and Schools, and which is eligible to
41 receive State aid under the provisions of the Constitution of the
42 United States and the Constitution of the State of New Jersey, but
43 does not include any educational institution dedicated primarily to
44 the education or training of ministers, priests, rabbis or other
45 professional persons in the field of religion.

46 "Major rail station" means a railroad station located within a
47 qualified incentive area which provides access to the public to a

1 minimum of six rail passenger service lines operated by the New
2 Jersey Transit Corporation.

3 "Mega project" means:

4 a. a qualified business facility located in a port district housing
5 a business in the logistics, manufacturing, energy, defense, or
6 maritime industries, either:

7 (1) having a capital investment in excess of \$20,000,000, and at
8 which more than 250 full-time employees of the business are
9 created or retained; or

10 (2) at which more than 1,000 full-time employees of the
11 business are created or retained;

12 b. a qualified business facility located in an aviation district
13 housing a business in the aviation industry, in a Garden State
14 Growth Zone, or in a priority area housing the United States
15 headquarters and related facilities of an automobile manufacturer,
16 either:

17 (1) having a capital investment in excess of \$20,000,000, and at
18 which more than 250 full-time employees of the business are
19 created or retained, or

20 (2) at which more than 1,000 full-time employees of the
21 business are created or retained;

22 c. a qualified business facility located in an urban transit hub
23 housing a business of any kind, having a capital investment in
24 excess of \$50,000,000, and at which more than 250 full-time
25 employees of the business are created or retained;

26 d. a project located in an area designated in need of
27 redevelopment, pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.)
28 prior to the enactment of P.L.2014, c.63 (C.34:1B-251 et al.) within
29 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,
30 Ocean, or Salem counties having a capital investment in excess of
31 \$20,000,000, and at which more than 150 full-time employees of
32 the business are created or retained; or

33 e. a qualified business facility primarily used by a business
34 principally engaged in research, development, or manufacture of a
35 drug or device, as defined in R.S.24:1-1, or primarily used by a
36 business licensed to conduct a clinical laboratory and business
37 facility pursuant to the "New Jersey Clinical Laboratory
38 Improvement Act," P.L.1975, c.166 (C.45:9-42.26 et seq.), either:

39 (1) having a capital investment in excess of \$20,000,000, and at
40 which more than 250 full-time employees of the business are
41 created or retained, or

42 (2) at which more than 1,000 full-time employees of the
43 business are created or retained.

44 "Military installation" means a facility under operation by any
45 branch of the Armed Forces of the United States, including but not
46 limited to, the United States Coast Guard and the National Guard of
47 this State.

1 "Minimum environmental and sustainability standards" means
2 standards established by the authority in accordance with the green
3 building manual prepared by the Commissioner of Community
4 Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6),
5 regarding the use of renewable energy, energy-efficient technology,
6 and non-renewable resources in order to reduce environmental
7 degradation and encourage long-term cost reduction.

8 "Moderate-income housing" means housing affordable,
9 according to United States Department of Housing and Urban
10 Development or other recognized standards for home ownership
11 and rental costs, and occupied or reserved for occupancy by
12 households with a gross household income equal to more than 50
13 percent but less than 80 percent of the median gross household
14 income for households of the same size within the housing region in
15 which the housing is located.

16 "Municipal Revitalization Index" means the 2007 index by the
17 Office for Planning Advocacy within the Department of State
18 measuring or ranking municipal distress.

19 "New full-time job" means an eligible position created by the
20 business at the qualified business facility that did not previously
21 exist in this State. For the purposes of determining a number of
22 new full-time jobs, the eligible positions of an affiliate shall be
23 considered eligible positions of the business.

24 "Other eligible area" means the portions of the qualified
25 incentive area that are not located within a distressed municipality,
26 or the priority area.

27 "Partnership" means an entity classified as a partnership for
28 federal income tax purposes.

29 "Port district" means the portions of a qualified incentive area
30 that are located within:

31 a. the "Port of New York District" of the Port Authority of
32 New York and New Jersey, as defined in Article II of the Compact
33 Between the States of New York and New Jersey of 1921; or

34 b. a 15-mile radius of the outermost boundary of each marine
35 terminal facility established, acquired, constructed, rehabilitated, or
36 improved by the South Jersey Port District established pursuant to
37 "The South Jersey Port Corporation Act," P.L.1968, c.60
38 (C.12:11A-1 et seq.).

39 "Priority area" means the portions of the qualified incentive area
40 that are not located within a distressed municipality and which:

41 a. are designated pursuant to the "State Planning Act,"
42 P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1
43 (Metropolitan), Planning Area 2 (Suburban), a designated center
44 under the State Development and Redevelopment Plan, or a
45 designated growth center in an endorsed plan until June 30, 2013, or
46 until the State Planning Commission revises and readopts New
47 Jersey's State Strategic Plan and adopts regulations to revise this
48 definition;

1 b. intersect with portions of: a deep poverty pocket, a port
2 district, or federally-owned land approved for closure under a
3 federal Commission on Base Realignment and Closure action;

4 c. are the proposed site of a disaster recovery project, a
5 qualified incubator facility, a highlands development credit
6 receiving area or redevelopment area, a tourism destination project,
7 or transit oriented development; or

8 d. contain: a vacant commercial building having over 400,000
9 square feet of office, laboratory, or industrial space available for
10 occupancy for a period of over one year; or a site that has been
11 negatively impacted by the approval of a "qualified business
12 facility," as defined pursuant to section 2 of P.L.2007, c.346
13 (C.34:1B-208).

14 "Professional employer organization" means an employee leasing
15 company registered with the Department of Labor and Workforce
16 Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

17 "Program" means the "Grow New Jersey Assistance Program"
18 established pursuant to section 3 of P.L.2011, c.149 (C.34:1B-244).

19 "Public research university" means a public research university
20 as defined in section 3 of P.L.1994, c.48 (C.18A:3B-3).

21 "Qualified business facility" means any building, complex of
22 buildings or structural components of buildings, and all machinery
23 and equipment located within a qualified incentive area, used in
24 connection with the operation of a business that is not engaged in
25 final point of sale retail business at that location unless the building,
26 complex of buildings or structural components of buildings, and all
27 machinery and equipment located within a qualified incentive area,
28 are used in connection with the operation of:

29 a. a final point of sale retail business located in a Garden State
30 Growth Zone that will include a retail facility of at least 150,000
31 square feet, of which at least 50 percent is occupied by either a full-
32 service supermarket or grocery store; or

33 b. a tourism destination project located in the Atlantic City
34 Tourism District as established pursuant to section 5 of P.L.2011,
35 c.18 (C.5:12-219).

36 "Qualified incentive area" means:

37 a. an aviation district;

38 b. a port district;

39 c. a distressed municipality or urban transit hub municipality;

40 d. an area (1) designated pursuant to the "State Planning Act,"
41 P.L.1985, c.398 (C.52:18A-196 et seq.), as:

42 (a) Planning Area 1 (Metropolitan);

43 (b) Planning Area 2 (Suburban); or

44 (c) Planning Area 3 (Fringe Planning Area);

45 (2) located within a smart growth area and planning area
46 designated in a master plan adopted by the New Jersey
47 Meadowlands Commission pursuant to subsection (i) of section 6 of
48 P.L.1968, c.404 (C.13:17-6) or subject to a redevelopment plan

- 1 adopted by the New Jersey Meadowlands Commission pursuant to
2 section 20 of P.L.1968, c.404 (C.13:17-21);
- 3 (3) located within any land owned by the New Jersey Sports and
4 Exposition Authority, established pursuant to P.L.1971, c.137
5 (C.5:10-1 et seq.), within the boundaries of the Hackensack
6 Meadowlands District as delineated in section 4 of P.L.1968, c.404
7 (C.13:17-4);
- 8 (4) located within a regional growth area, rural development
9 area zoned for industrial use as of the effective date of P.L.2016,
10 c.75, town, village, or a military and federal installation area
11 designated in the comprehensive management plan prepared and
12 adopted by the Pinelands Commission pursuant to the "Pinelands
13 Protection Act," P.L.1979, c.111 (C.13:18A-1 et seq.);
- 14 (5) located within the planning area of the Highlands Region as
15 defined in section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands
16 development credit receiving area or redevelopment area;
- 17 (6) located within a Garden State Growth Zone;
- 18 (7) located within land approved for closure under any federal
19 Commission on Base Realignment and Closure action; **[or]**
- 20 (8) located only within the following portions of the areas
21 designated pursuant to the "State Planning Act," P.L.1985, c.398
22 (C.52:18A-196 et seq.), as Planning Area 4A (Rural Planning
23 Area), Planning Area 4B (Rural/Environmentally Sensitive) or
24 Planning Area 5 (Environmentally Sensitive) if Planning Area 4A
25 (Rural Planning Area), Planning Area 4B (Rural/Environmentally
26 Sensitive) or Planning Area 5 (Environmentally Sensitive) is
27 located within:
- 28 (a) a designated center under the State Development and
29 Redevelopment Plan;
- 30 (b) a designated growth center in an endorsed plan until the
31 State Planning Commission revises and readopts New Jersey's State
32 Strategic Plan and adopts regulations to revise this definition as it
33 pertains to Statewide planning areas;
- 34 (c) any area determined to be in need of redevelopment pursuant
35 to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and
36 C.40A:12A-6) or in need of rehabilitation pursuant to section 14 of
37 P.L.1992, c.79 (C.40A:12A-14);
- 38 (d) any area on which a structure exists or previously existed
39 including any desired expansion of the footprint of the existing or
40 previously existing structure provided the expansion otherwise
41 complies with all applicable federal, State, county, and local
42 permits and approvals;
- 43 (e) the planning area of the Highlands Region as defined in
44 section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands
45 development credit receiving area or redevelopment area; or
- 46 (f) any area on which an existing tourism destination project is
47 located; or

1 (9) located on commercial property within a five-mile radius of
2 the outer boundary of a military installation in this State.

3 "Qualified incentive area" shall not include any property located
4 within the preservation area of the Highlands Region as defined in
5 section 3 of P.L.2004, c.120 (C.13:20-3).

6 "Qualified incubator facility" means a commercial building
7 located within a qualified incentive area: which contains 50,000 or
8 more square feet of office, laboratory, or industrial space; which is
9 located near, and presents opportunities for collaboration with, a
10 research institution, teaching hospital, college, or university; and
11 within which, at least 50 percent of the gross leasable area is
12 restricted for use by one or more technology startup companies
13 during the commitment period.

14 "Retained full-time job" means an eligible position that currently
15 exists in New Jersey and is filled by a full-time employee but
16 which, because of a potential relocation by the business, is at risk of
17 being lost to another state or country, or eliminated. For the
18 purposes of determining a number of retained full-time jobs, the
19 eligible positions of an affiliate shall be considered eligible
20 positions of the business. For the purposes of the certifications and
21 annual reports required in the incentive agreement pursuant to
22 subsection e. of section 4 of P.L.2011, c.149 (C.34:1B-245), to the
23 extent an eligible position that was the basis of the award no longer
24 exists, a business shall include as a retained full-time job a new
25 eligible position that is filled by a full-time employee provided that
26 the position is included in the order of date of hire and is not the
27 basis for any other incentive award. For a project located in a
28 Garden State Growth Zone which qualified for the "Municipal
29 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
30 (C.52:27BBB-1 et al.), retained full-time job shall include any
31 employee previously employed in New Jersey and transferred to the
32 new location in the Garden State Growth Zone which qualified for
33 the "Municipal Rehabilitation and Economic Recovery Act,"
34 P.L.2002, c.43 (C.52:27BBB-1 et al.).

35 "SDA district" means an SDA district as defined in section 3 of
36 P.L.2000, c.72 (C.18A:7G-3).

37 "SDA municipality" means a municipality in which an SDA
38 district is situate.

39 "State college" means a State college or university established
40 pursuant to chapter 64 of Title 18A of the New Jersey Statutes.

41 "Targeted industry" means any industry identified from time to
42 time by the authority which shall initially include advanced
43 transportation and logistics, advanced manufacturing, aviation,
44 autonomous vehicle and zero-emission vehicle research or
45 development, clean energy, life sciences, hemp processing,
46 information and high technology, finance and insurance,
47 professional services, film and digital media, non-retail food and
48 beverage businesses including food innovation, and other

1 innovative industries that disrupt current technologies or business
2 models.

3 "Technology startup company" means a for profit business that
4 has been in operation fewer than five years and is developing or
5 possesses a proprietary technology or business method of a high-
6 technology or life science-related product, process, or service which
7 the business intends to move to commercialization.

8 "Tourism destination project" means a qualified non-gaming
9 business facility that will be among the most visited privately
10 owned or operated tourism or recreation sites in the State, and
11 which is located within the qualified incentive area and has been
12 determined by the authority to be in an area appropriate for
13 development and in need of economic development incentive
14 assistance, including a non-gaming business within an established
15 Tourism District with a significant impact on the economic viability
16 of that District.

17 "Transit oriented development" means a qualified business
18 facility located within a 1/2-mile radius, or one-mile radius for
19 projects located in a Garden State Growth Zone, surrounding the
20 mid-point of a New Jersey Transit Corporation, Port Authority
21 Transit Corporation, or Port Authority Trans-Hudson Corporation
22 rail, bus, or ferry station platform area, including all light rail
23 stations.

24 "Urban transit hub" means an urban transit hub, as defined in
25 section 2 of P.L.2007, c.346 (C.34:1B-208), that is located within
26 an eligible municipality, as defined in section 2 of P.L.2007, c.346
27 (C.34:1B-208) and also located within a qualified incentive area.

28 "Urban transit hub municipality" means a municipality: a. which
29 qualifies for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et
30 seq.), or which has continued to be a qualified municipality
31 thereunder pursuant to P.L.2007, c.111; and b. in which 30 percent
32 or more of the value of real property was exempt from local
33 property taxation during tax year 2006. The percentage of exempt
34 property shall be calculated by dividing the total exempt value by
35 the sum of the net valuation which is taxable and that which is tax
36 exempt.

37 (cf: P.L.2021, c.160, s.61)

38

39 5. Section 5 of P.L.2011, c.149 (C.34:1B-246) is amended to
40 read as follows:

41 5. a. The total amount of the tax credit for an eligible business
42 for each new or retained full-time job shall be as set forth in
43 subsections b. through f. of this section. The total tax credit amount
44 shall be calculated and credited to the business annually for each
45 year of the eligibility period. Notwithstanding any other provisions
46 of P.L.2013, c.161 (C.52:27D-489p et al.), a business may assign its
47 ability to apply for the tax credit under this subsection to a non-
48 profit organization with a mission dedicated to attracting investment

1 and completing development and redevelopment projects in a
2 Garden State Growth Zone. The non-profit organization or
3 organization operating a qualified incubator facility may make an
4 application on behalf of a business which meets the requirements
5 for the tax credit, or a group of non-qualifying businesses or
6 positions, located at a qualified business facility, that shall be
7 considered a unified project for the purposes of the incentives
8 provided under this section. For any project located in a Garden
9 State Growth Zone that qualifies under the "Municipal
10 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
11 (C.52:27BBB-1 et al.), or any project located in a Garden State
12 Growth Zone which contains a Tourism District as established
13 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated
14 by the Casino Reinvestment Development Authority, and which
15 will include a retail facility of at least 150,000 square feet, of which
16 at least 50 percent will be occupied by either a full-service
17 supermarket or grocery store, a business may assign its ability to
18 apply for the tax credit under this subsection to the developer of the
19 facility. The developer may make an application on behalf of the
20 business which meets the requirements for the tax credit, or a group
21 of non-qualifying businesses located at the business facility, that
22 shall be considered a unified project for the purposes of the
23 incentives provided under this section, and the developer may apply
24 for tax credits available based on the number of jobs provided by
25 the business or group of businesses and the total capital investment
26 of the business or group of businesses and the developer.

27 b. The base amount of the tax credit for each new or retained
28 full-time job shall be as follows:

29 (1) (a) for a qualified business facility located within an urban
30 transit hub municipality, located within a Garden State Growth
31 Zone, or which is a mega project, \$5,000 per year;

32 (b) for a qualified business facility located within a Garden
33 State Create Zone and used by an eligible business in a targeted
34 industry to conduct a collaborative research relationship with a
35 doctoral university within the zone, \$5,000 per year;

36 (2) for a qualified business facility located within a distressed
37 municipality but not qualifying under paragraph (1) of this
38 subsection, \$4,000 per year;

39 (3) for a project in a priority area, \$3,000 per year; and

40 (4) for a project in other eligible areas, \$500 per year.

41 c. In addition to the base amount of the tax credit, the amount
42 of the tax credit to be awarded for each new or retained full-time
43 job shall be increased if the qualified business facility meets any of
44 the following priority criteria or other additional or replacement
45 criteria determined by the authority from time to time in response to
46 evolving economic or market conditions:

47 (1) for a qualified business facility located in a deep poverty
48 pocket or in an area that is the subject of a Choice Neighborhoods

- 1 Transformation Plan funded by the federal Department of Housing
2 and Urban Development, an increase of \$1,500 per year;
- 3 (2) for a qualified business facility located in a qualified
4 incubator facility, an increase of \$500 per year;
- 5 (3) for a qualified business facility located in a mixed-use
6 development that incorporates sufficient moderate income housing
7 on site to accommodate a minimum of 20 percent of the full-time
8 employees of the business, an increase of \$500 per year;
- 9 (4) for a qualified business facility located within a transit
10 oriented development, an increase of \$2,000 per year;
- 11 (5) for a qualified business facility, other than a mega project, at
12 which the capital investment in industrial premises for industrial
13 use by the business is in excess of the minimum capital investment
14 required for eligibility pursuant to subsection b. of section 3 of
15 P.L.2011, c.149 (C.34:1B-244), an increase of \$1,000 per year for
16 each additional amount of investment that exceeds the minimum
17 amount required for eligibility by 20 percent, with a maximum
18 increase of \$3,000 per year;
- 19 (6) for a business with new full-time jobs and retained full-time
20 jobs at the project with an average salary in excess of the existing
21 average salary for the county in which the project is located, or, in
22 the case of a project in a Garden State Growth Zone, a business that
23 employs full-time positions at the project with an average salary in
24 excess of the average salary for the Garden State Growth Zone, an
25 increase of \$250 per year during the commitment period for each 35
26 percent by which the project's average salary levels exceeds the
27 county or Garden State Growth Zone average salary, with a
28 maximum increase of \$1,500 per year;
- 29 (7) for a business with large numbers of new full-time jobs and
30 retained full-time jobs during the commitment period, the increases
31 shall be in accordance with the following schedule:
 - 32 (a) if the number of new full-time jobs and retained full-time
33 jobs is between 251 and 400, \$500 per year;
 - 34 (b) if the number of new full-time jobs and retained full-time
35 jobs is between 401 and 600, \$750 per year;
 - 36 (c) if the number of new full-time jobs and retained full-time
37 jobs is between 601 and 800, \$1000 per year;
 - 38 (d) if the number of new full-time jobs and retained full-time
39 jobs is between 801 and 1,000, \$1,250 per year;
 - 40 (e) if the number of new full-time jobs and retained full-time
41 jobs is in excess of 1,000, \$1,500 per year;
- 42 (8) for a business in a targeted industry, an increase of \$500 per
43 year;
- 44 (9) for a qualified business facility exceeding the Leadership in
45 Energy and Environmental Design's "Silver" rating standards or
46 completes substantial environmental remediation, an additional
47 increase of \$250 per year;

1 (10) for a mega project or a project located within a Garden
2 State Growth Zone at which the capital investment in industrial
3 premises for industrial use by the business exceeds the minimum
4 capital investment required for eligibility pursuant to subsection b.
5 of section 3 of P.L.2011, c.149 (C.34:1B-244), an increase of
6 \$1,000 per year for each additional amount of investment that
7 exceeds the minimum amount by 20 percent, with a maximum
8 increase of \$5,000 per year;

9 (11) for a project in which a business retains at least 400 jobs
10 and is located within the municipality in which it was located
11 immediately prior to the filing of the application hereunder and is
12 the United States headquarters of an automobile manufacturer, an
13 increase of \$1,500 per year;

14 (12) for a project located in a municipality in Atlantic,
15 Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean,
16 and Salem counties with a 2007 Municipality Revitalization Index
17 greater than 465, an increase of \$1,000 per year;

18 (13) for a project located within a half-mile of any light rail
19 station constructed after the effective date of P.L.2013, c.161
20 (C.52:27D-489p et al.), an increase of \$1,000 per year;

21 (14) for a marine terminal project in a municipality located
22 outside the Garden State Growth Zone, but within the geographical
23 boundaries of the South Jersey Port District, an increase of \$1,500
24 per year;

25 (15) for a project located within an area determined to be in
26 need of redevelopment pursuant to sections 5 and 6 of P.L.1992,
27 c.79 (C.40A:12A-5 and C.40A:12A-6), and which is located within
28 a quarter mile of at least one United States Highway and at least
29 two New Jersey State Highways, an increase of \$1,500 per year;

30 (16) for a project that generates solar energy on site for use
31 within the project of an amount that equals at least 50 percent of the
32 project's electric supply service needs, an increase of \$250 per year;

33 (17) for a qualified business facility that includes a vacant
34 commercial building having over 1,000,000 square feet of office or
35 laboratory space available for occupancy for a period of over one
36 year, an increase of \$1,000 per year; **[and]**

37 (18) for an eligible business in a targeted industry at a qualified
38 business facility on the campus of a college or university other than
39 a doctoral university, or at a qualified business facility within a
40 three-mile radius of the outermost boundary of the campus of a
41 college or university other than a doctoral university, which facility
42 is used by the business to conduct a collaborative research
43 relationship with the college or university, an increase of \$1,000 per
44 year. The boundary of the campus of a college or university shall
45 be based upon a map appearing in the college's or university's
46 official catalog or other official publication on the effective date of
47 P.L.2017, c.221; and

1 (19) for a qualified business facility used in connection with a
2 business that is engaged in projects involving science, technology,
3 engineering, math, or research and development, which projects are
4 related to and supportive of the missions and operations of a New
5 Jersey military installation, and which will be located within a five-
6 mile radius of the outer boundary of a military installation in this
7 State, an increase of \$500 per year.

8 d. The gross amount of the tax credit for an eligible business
9 for each new or retained full-time job shall be the sum of the base
10 amount as set forth pursuant to subsection b. of this section and the
11 various additional bonus amounts for which the business is eligible
12 pursuant to subsection c. of this section, subject to the following
13 limitations:

14 (1) for a mega project or a project in a Garden State Growth
15 Zone, the gross amount for each new or retained full-time job shall
16 not exceed \$15,000 per year;

17 (2) for a qualified business facility located within an urban
18 transit hub municipality or a Garden State Create Zone, the gross
19 amount for each new or retained full-time job shall not exceed
20 \$12,000 per year;

21 (3) for a qualified business facility in a distressed municipality
22 the gross amount for each new or retained full-time job shall not
23 exceed \$11,000 per year;

24 (4) for a qualified business facility in other priority areas, the
25 gross amount for each new or retained full-time job shall not exceed
26 \$10,500 per year;

27 (5) for a qualified business facility in other eligible areas, the
28 gross amount for each new or retained full-time job shall not exceed
29 \$6,000 per year; and

30 (6) for a disaster recovery project, the gross amount for each
31 new or retained full-time job shall not exceed \$2,000 per year.

32 Notwithstanding anything to the contrary set forth herein and in
33 the provisions of subsections a. through f. of this section, but
34 subject to the provisions of paragraph (1) of subsection f. of this
35 section, for a project located within a Garden State Growth Zone
36 which qualifies for the "Municipal Rehabilitation and Economic
37 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), which
38 creates 35 or more full-time jobs new to the municipality, the total
39 tax credit shall be:

40 (a) for a project which creates 35 or more full-time jobs new to
41 the municipality and makes a capital investment of at least
42 \$5,000,000, the total tax credit amount per full-time job shall be the
43 greater of: (i) the total tax credit amount for a qualifying project in
44 a Garden State Growth Zone as calculated pursuant to subsections
45 a. through f. of this section; or (ii) the total capital investment of the
46 project divided by the total number of full-time jobs at that project
47 but not greater than \$2,000,000 per year over the grant term of ten
48 years;

1 (b) for a project which creates 70 or more full-time jobs new to
2 the municipality and makes a capital investment of at least
3 \$10,000,000, the total tax credit amount per full-time job shall be
4 the greater of: (i) the total tax credit amount for a qualifying project
5 in a Garden State Growth Zone as calculated pursuant to
6 subsections a. through f. of this section; or (ii) the total capital
7 investment of the project divided by the total number of full-time
8 jobs at that project but not greater than \$3,000,000 per year over the
9 grant term of ten years;

10 (c) for a project which creates 100 or more full-time jobs new to
11 the municipality and makes a capital investment of at least
12 \$15,000,000, the total tax credit amount per full-time job shall be
13 the greater of: (i) the total tax credit amount for a qualifying project
14 in a Garden State Growth Zone as calculated pursuant to
15 subsections a. through f. of this section; or (ii) the total capital
16 investment of the project divided by the total number of full-time
17 jobs at that project but not greater than \$4,000,000 per year over the
18 grant term of ten years;

19 (d) for a project which creates 150 or more full-time jobs new to
20 the municipality and makes a capital investment of at least
21 \$20,000,000, the total tax credit amount per full-time job shall be
22 the greater of: (i) the total tax credit amount for a qualifying project
23 in a Garden State Growth Zone as calculated pursuant to
24 subsections a. through f. of this section; or (ii) the total capital
25 investment of the project divided by the total number of full-time
26 jobs at that project but not greater than \$5,000,000 per year over the
27 grant term of ten years; or

28 (e) for a project which creates 250 or more full-time jobs new to
29 the municipality and makes a capital investment of at least
30 \$30,000,000, the total tax credit amount per full-time job shall be
31 the greater of: (i) the total tax credit amount for a qualifying project
32 in a Garden State Growth Zone as calculated pursuant to
33 subsections a. through f. of this section; or (ii) the total capital
34 investment of the project divided by the total number of full-time
35 jobs as defined herein at that project divided by the ten-year grant
36 term.

37 e. After the determination by the authority of the gross amount
38 of tax credits for which a business is eligible pursuant to subsection
39 d. of this section, the final total tax credit amount shall be
40 calculated as follows: (1) for each new full-time job, the business
41 shall be allowed tax credits equaling 100 percent of the gross
42 amount of tax credits for each new full-time job; and (2) for each
43 retained full-time job, the business shall be allowed tax credits
44 equaling the lesser of 50 percent of the gross amount of tax credits
45 for each retained full-time job, or one-tenth of the capital
46 investment divided by the number of retained and new full-time
47 jobs per year over the grant term of ten years, unless the jobs are
48 part of a mega project which is the United States headquarters of an

1 automobile manufacturer located within a priority area or in a
2 Garden State Growth Zone, in which case the business shall be
3 entitled to tax credits equaling 100 percent of the gross amount of
4 tax credits for each retained full-time job, or unless the new
5 qualified business facility would replace a facility that has been
6 wholly or substantially damaged as a result of a federally-declared
7 disaster, in which case the business shall be entitled to tax credits
8 equaling 100 percent of the gross amount of tax credits for each
9 retained full-time job.

10 f. Notwithstanding the provisions of subsections a. through e.
11 of this section, for each application approved by the authority's
12 board, the amount of tax credits available to be applied by the
13 business annually shall not exceed:

14 (1) \$35,000,000 and provides a net benefit to the State as
15 provided herein with respect to a qualified business facility in a
16 Garden State Growth Zone which qualifies under the "Municipal
17 Rehabilitation and Economic Recovery Act," P.L.2002, c.43
18 (C.52:27BBB-1 et al.), or which contains a Tourism District as
19 established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and
20 regulated by the Casino Reinvestment Development Authority;

21 (2) \$30,000,000 and provides a net benefit to the State as
22 provided herein with respect to a mega project or a qualified
23 business facility in a Garden State Growth Zone;

24 (3) \$10,000,000 and provides a net benefit to the State as
25 provided herein with respect to a qualified business facility in an
26 urban transit hub municipality or a Garden State Create Zone;

27 (4) \$8,000,000 and provides a net benefit to the State as
28 provided herein with respect to a qualified business facility in a
29 distressed municipality;

30 (5) \$4,000,000 and provides a net benefit to the State as
31 provided herein with respect to a qualified business facility in other
32 priority areas, but not more than 90 percent of the withholdings of
33 the business from the qualified business facility; and

34 (6) \$2,500,000 and provides a net benefit to the State as
35 provided herein with respect to a qualified business facility in other
36 eligible areas, but not more than 90 percent of the withholdings of
37 the business from the qualified business facility.

38 Under paragraphs (1) through (6) of this subsection, with the
39 exception of a project located within a Garden State Growth Zone
40 which qualifies for the "Municipal Rehabilitation and Economic
41 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or which
42 contains a Tourism District as established pursuant to section 5 of
43 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino
44 Reinvestment Development Authority, that divides the total capital
45 investment of the project by the total number of full-time jobs at
46 that project, for each application for tax credits in excess of
47 \$4,000,000 annually, the amount of tax credits available to be
48 applied by the business annually shall be the lesser of the maximum

1 amount under the applicable subsection or an amount determined by
2 the authority necessary to complete the project, with such
3 determination made by the authority's utilization of a full economic
4 analysis of all locations under consideration by the business; all
5 lease agreements, ownership documents, or substantially similar
6 documentation for the business's current in-State locations, as
7 applicable; and all lease agreements, ownership documents, or
8 substantially similar documentation for the potential out-of-State
9 location alternatives, to the extent they exist. Based on this
10 information, and any other information deemed relevant by the
11 authority, the authority shall independently verify and confirm the
12 amount necessary to complete the project.

13 (cf: P.L.2017, c.221, s.2)

14

15 6. Section 1 of P.L.2011, c.34 (C.52:14B-26) is amended to
16 read as follows:

17 1. As used in **[this act]** P.L.2011, c.34 (C.52:14B-26 et seq.):

18 "Local agency" means any department of a political subdivision
19 of this State, or any division, office, agency, or bureau thereof that
20 issues a permit to a business.

21 "Military installation" means a facility under operation by any
22 branch of the Armed Forces of the United States, including but not
23 limited to, the United States Coast Guard and the National Guard of
24 this State.

25 "Permit" means a permit, license, certificate, registration,
26 compliance schedule, or any other form of permission or approval
27 required by law to be issued by a State agency in order to engage in
28 a business activity, or any other authorization related thereto,
29 whether that authorization is in the form of a permit, approval,
30 license, certification, waiver, letter of interpretation, agreement, or
31 any other executive or administrative decision which allows a
32 business to engage in an activity.

33 "State agency" means any New Jersey principal department or
34 any division, office, agency, or bureau thereof that issues a permit
35 to a business.

36 (cf: P.L.2011, c.34, s.1)

37

38 7. Section 4 of P.L.2011, c.34 (C.52:14B-29) is amended to
39 read as follows:

40 4. Concerning any large, complex project having a significant
41 potential employment or investment impact or a project involving
42 science, technology, engineering, math, or research and
43 development, which project is related to and supportive of the
44 missions and operations of a New Jersey military installation, and
45 located within a five-mile radius of the outer boundary of a military
46 installation in this State, the Secretary of State or other State officer
47 or employee designated by the Governor pursuant to section 3 of
48 P.L.2011, c.34 (C.52:14B-28) shall designate an employee of the

1 Department of State from among those positions otherwise filled to
2 act as a contact person to be responsible for assisting each business
3 undertaking **[such]** the project on an individual basis and to
4 continue as the point of contact between that business and all
5 appropriate government entities throughout the permit and approval
6 application process. Concerning projects which require permits
7 from multiple State and local agencies, the Secretary of State or the
8 Governor's designee shall designate an employee of the Department
9 of State from among those positions otherwise filled to guide
10 **[such]** the projects throughout the process of applying for and
11 receiving any business permit or approval. The duties of the
12 designated contact person shall include:

13 a. Developing, from the outset, a checklist of permits to which
14 the applicable agencies agree;

15 b. Establishing a detailed course of actions and milestones for
16 the permitting or approval process that shall be agreed to by the
17 applicable agencies;

18 c. Reporting any impediments to, or conflicts regarding,
19 milestones to the Secretary of State or the Governor's Designee, and
20 promptly evaluating any disputes, delays, or other issues requiring
21 centralized review; and

22 d. Coordinating as needed with the New Jersey Economic
23 Development Authority to ensure that businesses considering
24 investing in this State receive integrated project management of all
25 State and local agency required permits and approvals.

26 (cf: P.L.2011, c.34, s.4)

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28 8. Section 3 of P.L.2019, c.240 is repealed.

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30 9. This act shall take effect immediately.

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STATEMENT

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35 This bill modifies current business incentive programs consistent
36 with recommendations set forth in the July 2015 report by the New
37 Jersey Military Installment Growth and Development Task Force in
38 order to encourage businesses to undertake innovative projects
39 related to the missions and operations of military installations
40 located within New Jersey.

41 The bill establishes incentives for businesses to engage in
42 projects involving science, technology, engineering, math, or
43 research and development (STEM/R&D), that are related to and
44 supportive of the missions and operations of a New Jersey military
45 installation, and are located within a five-mile radius of the outer
46 boundary of a military installation in this State. For those
47 businesses, the bill:

- 1 • amends a small business loan program to establish eligibility
2 for reduced interest rate loans for projects involving
3 STEM/R&D related to and supportive of the missions and
4 operations of a New Jersey military installation and located
5 within a five-mile radius of a military installation in this State;
- 6 • amends the Grow New Jersey Assistance Program, to make an
7 area located on commercial property within a five-mile radius
8 of a military installation in this State an area qualified for the
9 program; a project that locates in one of these areas, meets the
10 capital and employment requirements, for which the program
11 incentives are a material factor, demonstrates the required net
12 positive benefit and other qualifiers may receive Grow New
13 Jersey benefits;
- 14 • establishes a Grow New Jersey tax credit bonus of \$500 per
15 employee if the qualifying project located within a five-mile
16 radius of a military installation in this State is used in
17 connection with projects involving STEM/R&D related to and
18 supportive of the missions and operations of a New Jersey
19 military installation; and amends a program that streamlines
20 the review and issuance of permits to make a business project
21 located within a five-mile radius of a military installation in
22 this State and used in connection with projects involving
23 STEM/R&D related to and supportive of the missions and
24 operations of a New Jersey military installation eligible for
25 assistance.

26 The bill repeals a duplicative provision added by section 3 of
27 P.L.2019, c.240.