52:18A-263
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2025 **CHAPTER:** 113

NJSA: 52:18A-263 Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

BILL NO: A5170 (Substituted for S4027 (1R))

SPONSOR(S) Pintor Marin, Eliana and others

DATE INTRODUCED: 12/19/2024

COMMITTEE: **ASSEMBLY:** Appropriations

SENATE: --

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** 05/22/2025

SENATE: 06/30/2025

DATE OF APPROVAL: 7/22/2025

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (A5170 Aca (1R) enacted)

ADVANCE LAW	Yes
PAMPHLET LAW	Yes

A5170

INTRODUCED BILL: (Includes sponsor(s) statement)		Yes	
REPRINT(S):		Yes	AAP 5/15/25 1R
TECHNICAL REVIEW OF BILL:		No	
COMMITTEE STATEMENT:	**ASSEMBLY**:	Yes	
	SENATE:	No	

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT:	No	
LEGISLATIVE FISCAL ESTIMATE:	Yes	02/11/25 06/03/25

S4027 (1R)

INTRODUCED BILL: (Includes sponsor(s) statement)	Yes	
REPRINT(S):	Yes	SBA 3/17/25 1R

TECHNICAL REVIEW OF BILL: No

COMMITTEE STATEMENT: **ASSEMBLY**: No

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes 02/05/25
06/04/25

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

LEGISLATOR STATEMENT: No

FOLLOWING WERE PRINTED:
To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or mailto:refdesk@njstatelib.org

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

CL/MMcB

P.L. 2025, CHAPTER 113, ***approved July 22, 2025***
Assembly, No. 5170 ***(First Reprint)***

AN ACT concerning the purchase of certain unused tax credits issued under the New Jersey Economic Recovery Act of 2020 and amending P.L.2020, c.156.

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

[1]**[**1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section, and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the “New Jersey Aspire Program Act,” sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or

(3) the “Cultural Arts Incentives Program Act,” P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director.

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.
Matter enclosed in superscript numerals has been adopted as follows:
[1]Assembly AAP committee amendments adopted May 15, 2025.

b. The Director of the Division of Taxation in the Department of the Treasury may or shall, subject to the provisions of subsection a. of this section, purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections **[**1**]** 2 through 8 of P.L.2020, c.156 (**[**C.34:1B-269**]** C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the " Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b); **[**and**]**

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the “Cultural Arts Incentives Program Act,” P.L.2023, c.197 (C.34:1B-383 et al.).

(cf: P.L.2020, c.156, s.89)**]**[1]

[1]1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section, and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the

provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or

(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director.

b. The Director of the Division of Taxation in the Department of the Treasury may <u>or shall, subject to the provisions of subsection a. of this section,</u> purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections 2 through 8 of P.L.2020, c.156 (C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b);

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.).[1]
(cf: P.L.2025, c.2, s.9)

2. This act shall take effect immediately.

Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

CHAPTER 113
CORRECTED COPY

AN ACT concerning the purchase of certain unused tax credits issued under the New Jersey Economic Recovery Act of 2020 and amending P.L.2020, c.156.

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

1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

C.52:18A-263 Purchase of unused tax credits.

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section and shall purchase unused tax credits awarded under a program listed in paragraphs (6), (13), and (14) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent;

(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director; or

(4) the "Garden State Film and Digital Media Jobs Act," P.L.2018, c.56 (C.54:10A-5.39b et al.), for which the director shall pay an amount equal to 95 percent of the credit amount 1for any original application approved by the authority on or after January 1, 2026, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the taxpayer, which taxpayer is a New Jersey studio partner or the holder of such certificate originally issued to a New Jersey studio partner, occurred at least one year prior to the date of application to the director and provided that the director shall purchase such certificates valued at no more than a cumulative amount of $80,000,000 in State fiscal year 2026, $160,000,000 in State fiscal year 2027, $240,000,000 in State fiscal year 2028, and $200,000,000 in each State fiscal year thereafter, subject to the conditions in this paragraph. If an application to the director for the purchase of tax credits otherwise qualifies pursuant to this paragraph, but the value of tax credits for which the director receives applications exceeds the maximum cumulative amount for the State fiscal year in which the application is made, the director shall purchase the remaining tax credits in the State fiscal year next following the State fiscal year in which the application is made, provided that the director shall not purchase a cumulative amount above

the maximum cumulative amount for the respective State fiscal year. No payments shall be made pursuant to this paragraph unless the following conditions are met: full funding is provided for the fiscal year to satisfy the requirement in Article VIII, Section IV, paragraph 1 of the New Jersey Constitution that the Legislature provide for the maintenance and support of a thorough and efficient system of free public schools for the instruction of children in the State between the ages of five and 18 years; full payment of the contributions required by law for the fiscal year is made to the State-administered retirement systems; and the annual appropriations act for the State fiscal year maintains a budgetary surplus of no less than 12 percent of total appropriations from the General Fund and the Property Tax Relief Fund

b. The Director of the Division of Taxation in the Department of the Treasury may or shall, subject to the provisions of subsection a. of this section, purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections 2 through 8 of P.L.2020, c.156 (C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b);

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b);

(13) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.);

(14) the “Garden State Film and Digital Media Jobs Act,” P.L.2018, c.56 (C.54:10A-5.39b et al.); and

(15) sections 3 through 7 of P.L.2025, c.111 (C.55:14K-106 through 55:14K-110).

2. This act shall take effect immediately.

Approved July 22, 2025.

ASSEMBLY, No. 5170

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED DECEMBER 19, 2024

Sponsored by:
Assemblywoman ELIANA PINTOR MARIN
District 29 (Essex and Hudson)
Assemblywoman SHANIQUE SPEIGHT
District 29 (Essex and Hudson)

SYNOPSIS

Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 1/14/2025)

AN ACT concerning the purchase of certain unused tax credits issued under the New Jersey Economic Recovery Act of 2020 and amending P.L.2020, c.156.

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

1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in <u>paragraphs (1) through (5) or paragraphs (7) through (12) of</u> subsection b. of this section, <u>and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section,</u> including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under<u>:</u>

<u>(1)</u> the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345)<u>;</u>

<u>(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or</u>

<u>(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director</u>.

b. The Director of the Division of Taxation in the Department of the Treasury may <u>or shall, subject to the provisions of subsection a. of this section,</u> purchase tax credits awarded under the following:

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 <u>thus</u> is new matter.

(1) the "Historic Property Reinvestment Act," sections ⟦1⟧ 2 through 8 of P.L.2020, c.156 (⟦C.34:1B-269⟧ C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the " Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b); ⟦and⟧

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the “Cultural Arts Incentives Program Act,” P.L.2023, c.197 (C.34:1B-383 et al.).

(cf: P.L.2020, c.156, s.89)

2. This act shall take effect immediately.

STATEMENT

This bill requires the Director of the Division of Taxation in the Department of the Treasury (director) to purchase unused tax credits awarded under the New Jersey Aspire Program (Aspire Program) and the Cultural Arts Incentives Program.

Under current law, the director is permitted to purchase unused tax credits awarded under various economic development programs established under the “New Jersey Economic Recovery Act of 2020,” including the Aspire Program.

Under the bill, the director is required to purchase unused tax credits and tax credit transfer certificates awarded under the Aspire Program and the Cultural Arts Incentives Program in an amount equal to 85 percent of the value of the tax credit, provided that certain conditions are met. In both cases, the bill requires the issuance date of the tax credit certificate or tax credit transfer certificate to have occurred at least one year prior to the date of application to the director.

[First Reprint]

ASSEMBLY, No. 5170

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED DECEMBER 19, 2024

Sponsored by:
Assemblywoman ELIANA PINTOR MARIN
District 29 (Essex and Hudson)
Assemblywoman SHANIQUE SPEIGHT
District 29 (Essex and Hudson)
Senator NILSA I. CRUZ-PEREZ
District 5 (Camden and Gloucester)
Senator NELLIE POU
District 35 (Bergen and Passaic)

Co-Sponsored by:
Senator Wimberly

SYNOPSIS

Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 15, 2025, with amendments.

(Sponsorship Updated As Of: 6/30/2025)

AN ACT concerning the purchase of certain unused tax credits issued under the New Jersey Economic Recovery Act of 2020 and amending P.L.2020, c.156.

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

[1]**[**1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section, and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or

(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director.

b. The Director of the Division of Taxation in the Department of the Treasury may or shall, subject to the provisions of subsection a. of this section, purchase tax credits awarded under the following:

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.
Matter enclosed in superscript numerals has been adopted as follows:
[1]Assembly AAP committee amendments adopted May 15, 2025.

(1) the "Historic Property Reinvestment Act," sections [1] 2 through 8 of P.L.2020, c.156 ([C.34:1B-269] C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the " Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b); [and]

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the “Cultural Arts Incentives Program Act,” P.L.2023, c.197 (C.34:1B-383 et al.).

(cf: P.L.2020, c.156, s.89)][1]

[1]1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section, and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended

and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or

(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director.

b. The Director of the Division of Taxation in the Department of the Treasury may or shall, subject to the provisions of subsection a. of this section, purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections 2 through 8 of P.L.2020, c.156 (C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b);

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.).[1]

(cf: P.L.2025, c.2, s.9)

2. This act shall take effect immediately.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5170

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 15, 2025

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 5170.

As amended and reported, this bill requires the Director of the Division of Taxation in the Department of the Treasury (director) to purchase unused tax credits awarded under the New Jersey Aspire Program (Aspire Program) and the Cultural Arts Incentives Program.

Under current law, the director is permitted to purchase unused tax credits awarded under various economic development programs established under the "New Jersey Economic Recovery Act of 2020," including the Aspire Program and the Cultural Arts Incentives Program.

Under the bill, the director is required to purchase unused tax credits and tax credit transfer certificates awarded under the Aspire Program and the Cultural Arts Incentives Program in an amount equal to 85 percent of the value of the tax credit, provided that certain conditions are met. In both cases, the bill requires the issuance date of the tax credit certificate or tax credit transfer certificate to have occurred at least one year prior to the date of application to the director.

COMMITTEE AMENDMENTS:

The committee amendments provide technical changes to the bill to update the underlying statute in light of a recent enactment of law.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that requiring the State to purchase certain tax credits would result in indeterminate increases in State expenditures and State revenues over a multi-year period. Absent an established history of State tax credit purchases, the direction and magnitude of the net fiscal impact cannot be reliably forecast because the net effect would depend on the specific circumstances of each individual tax credit purchase.

If all tax credits issued through the New Jersey Aspire Program and the Cultural Arts Incentive Program were unused and purchases by the State at the required 85 percent of face value, the State would incur additional expenses of up to $6.7 billion. Several factors are likely to reduce total State tax credit purchases below this maximum.

Whenever the State would acquire an unused tax credit at the required 85 percent of face value that otherwise would have been redeemed at 100 percent of face value, the State would realize a revenue gain equal to the full amount of the tax credit and a net financial gain equal to 15 percent thereof. However, requiring the State to buy a tax credit that would not be used otherwise would cause a net loss to the State equal to 85 percent of the credit's face value.

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY, No. 5170

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: FEBRUARY 11, 2025

SUMMARY

Synopsis: Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

Type of Impact: Multi-year increases in State costs and revenues.

Agencies Affected: Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	FY 2025 & Thereafter
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that requiring the State to purchase certain tax credits would result in indeterminate increases in State expenditures and State revenues over a multi-year period. Absent an established history of State tax credit purchases, the direction and magnitude of the net fiscal impact cannot be reliably forecast because the net effect would depend on the specific circumstances of each individual State tax credit purchase.

- If all tax credits issued through the New Jersey Aspire Program and the Cultural Arts Incentive Program were unused and purchased by the State at the required 85 percent of face value, the State would incur additional expenditures of up to $6.7 billion. Several factors are likely to reduce total State tax credit purchases below this maximum.

- Whenever the State would acquire an unused tax credit at the required 85 percent of face value that otherwise would have been redeemed at 100 percent of face value, the State would realize a revenue gain equal to the full amount of the tax credit and a net financial gain equal to 15 percent thereof. However, requiring the State to buy a tax credit that would not be used otherwise would cause a net loss to the State equal to 85 percent of the credit's face value.

BILL DESCRIPTION

The bill would require the Division of Taxation in the Department of the Treasury to purchase unused tax credits issued under the New Jersey Aspire Program and the Cultural Arts Incentives Program at 85 percent of face value. Current law only permits tax credit purchases by the division.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would have two countervailing multi-year impacts on State finances: expenditure increases from tax credit purchases and revenue increases from the avoided redemption of tax credits. The OLS, however, lacks the informational basis to determine the direction and magnitude of the bill's net fiscal impact as it would depend on the specific presently unknown circumstances of each individual tax credit purchase.

Based on current law and information available through the New Jersey Economic Development Authority (EDA), the OLS estimates that the State may be required to purchase up to $7.9 billion in unused tax credits if the bill is enacted into law. Since the bill requires the State to pay 85 percent of the credit amount, the State would incur a maximum of $6.7 billion in additional costs over a period of several fiscal years.

Several factors would reduce State tax credit purchases relative to the $6.7 billion maximum. The State may not award all remaining tax credits available through the Aspire Program and the Cultural Arts Incentive Program. A portion of the tax credits that may currently be awarded through the Aspire Program may be transferred to support the film and digital media tax credit program. Final tax credits issued after project completion may be less than initially awarded by the EDA if a completed project is inconsistent with initial project plans. Finally, some of the tax credits will be redeemed by taxpayers.

The purchase of unused tax credits would have an indeterminate net impact on State finances, as the net impact would depend on the circumstances of each individual purchase. In principle, every tax credit purchase will increase short-term State expenditures and may potentially decrease long-term State revenue losses.

Under current law, the Division of Taxation already has the authority to purchase certain unused tax credits. To date, the division has chosen not to exercise this authority. For purposes of this estimate, the OLS assumes that the division will continue not to acquire tax credits under current law. Therefore, for purposes of illustration, if the State were to purchase an unused $1 million tax credit at 85 percent of face value, the State would expend $850,000 and would avoid the $1 million tax revenue loss that would have occurred if the tax credit had been redeemed at the full amount, either by the initial awardee of the tax credit or a third-party purchaser. The result would be a $150,000 net long-term gain to the State.

However, if the holder is unable to use the tax credit, then the State would only incur the $850,000 expenditure increase, resulting in an $850,000 net loss to the State. Consequently, by requiring the State to purchase these unused tax credits, the bill would result in net losses to the State whenever the State purchases a tax credit that its holder could not otherwise use.

New Jersey Aspire Program Impact

The OLS concludes that the purchase of unused tax credits awarded under the New Jersey Aspire Program would increase State expenditures by up to $5.7 billion over several years.

The EDA awards Aspire tax credits to the developers of certain redevelopment projects. As of January 25, 2025, the EDA has approved $2.6 billion in Aspire tax credits, including for transformative projects, and some $4.1 billion in tax credits remain available for award.

If the remaining $4.1 billion in tax credits were awarded and remained unused by taxpayers, then the State would be required to purchase up to $6.7 billion in unused Aspire tax credits. At a required purchase price of 85 percent of the tax credit amount, the bill would cause the State to incur additional costs of up to $5.7 billion for these purchases.

Cultural Arts Incentive Program Impact

The OLS concludes that the purchase of unused tax credits awarded under the Cultural Arts Incentive Program would increase State expenditures by $340 million to $1.0 billion.

The Cultural Arts Incentive Program (recently renamed the Cultural Arts Facilities Expansion Program by the EDA) incentivizes the development of cultural arts projects by cultural arts institutions, either independently or in collaboration with governmental entities. The program shares a $1.2 billion tax credit authorization with the New Jersey Community-Anchored Development Program, the totality of which remains available to date. Current law sets aside at least $400 million in tax credits for the Cultural Arts Incentive Program.

Consequently, the actual amount allocated to the tax credit program may range from $400 million to $1.2 billion. Accordingly, at 85 percent of face value, the State would expend an additional $340 million to $1.0 billion to purchase these tax credits if the initial recipients of the tax credits were to sell them to the State.

Section:	*Revenue, Finance and Appropriations*
Analyst:	*Scott A. Brodsky* *Staff Fiscal and Budget Analyst*
Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 5170

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JUNE 3, 2025

SUMMARY

Synopsis: Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

Type of Impact: Multi-year increases in State costs and revenues.

Agencies Affected: Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	**FY 2025 & Thereafter**
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that requiring the State to purchase certain tax credits would result in indeterminate increases in State expenditures and State revenues over a multi-year period. Absent an established history of State tax credit purchases, the direction and magnitude of the net fiscal impact cannot be reliably forecast because the net effect would depend on the specific circumstances of each individual State tax credit purchase.

- If all tax credits issued through the New Jersey Aspire Program and the Cultural Arts Incentives Program were unused and purchased by the State at the required 85 percent of face value, the State would incur additional expenditures of up to $6.7 billion. Several factors are likely to reduce total State tax credit purchases below this maximum.

- Whenever the State would acquire an unused tax credit at the required 85 percent of face value that otherwise would have been redeemed at 100 percent of face value, the State would realize a revenue gain equal to the full amount of the tax credit and a net financial gain equal to 15 percent thereof. However, requiring the State to buy a tax credit that would not have been used otherwise would cause a net loss to the State equal to 85 percent of the credit's face value.

BILL DESCRIPTION

This bill would require the Division of Taxation in the Department of the Treasury to purchase unused tax credits issued under the New Jersey Aspire Program and the Cultural Arts Incentives Program at 85 percent of face value. Current law only permits tax credit purchases by the division.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would have two countervailing multi-year impacts on State finances: expenditure increases from tax credit purchases and revenue increases from the avoided redemption of tax credits. The OLS, however, lacks the informational basis to determine the direction and magnitude of the bill's net fiscal impact as it would depend on the specific, presently unknown, circumstances of each individual's tax credit purchase.

Based on current law and information available through the New Jersey Economic Development Authority, the OLS estimates that the State may be required to purchase up to $7.9 billion in unused tax credits if the bill is enacted into law. Since the bill requires the State to pay 85 percent of the credit amount, the State would incur a maximum of $6.7 billion in additional costs over a period of several fiscal years.

Several factors would reduce State tax credit purchases relative to the $6.7 billion maximum. The State may not award all remaining tax credits available through the Aspire Program and the Cultural Arts Incentives Program. A portion of the tax credits that may currently be awarded through the Aspire Program may be transferred to support the film and digital media tax credit program. Final tax credits issued after project completion may be less than initially awarded by the authority if a completed project is consistent with initial project plans. Finally, some of the tax credits will be redeemed by taxpayers.

Current law allows taxpayers to sell or transfer tax credits awarded through other economic development programs. In response to an FY 2026 OLS Discussion Point, the authority noted that in FY 2024 and FY 2025, the average sales price of tax credits awarded to taxpayers through the Economic Redevelopment and Growth Grant Program, Film and Digital Media Tax Credit Program, Grow New Jersey Assistance Program, and Urban Transit Hub Tax Credit Program ranged from 88 cents per dollar to 93 cents per dollar. The OLS notes that these sale prices reflect current market conditions.

The purchase of unused tax credits would have an indeterminate net impact on State finances, as the net impact would depend on the circumstances of each individual purchase. In principle, every tax credit purchase will increase short-term State expenditures and may potentially decrease long-term State revenue losses.

Under current law, the Division of Taxation already has the authority to purchase certain unused tax credits. To date, the division has chosen not to exercise this authority. For purposes of this estimate, the OLS assumes that the division will continue not to acquire tax credits under current law. Therefore, for purposes of illustration, if the State were to purchase an unused $1 million tax credit at 85 percent of face value, the State would expend $850,000 and would avoid the $1 million tax revenue loss that would have occurred if the tax credit had been redeemed at the full amount, either by the initial awardee of the tax credit or a third-party purchaser. The result would be a $150,000 net long-term gain to the State.

However, if the holder were unable to use the tax credit, then the State would only incur the $850,000 expenditure increase, resulting in an $850,000 net loss to the State. Consequently, by requiring the State to purchase these unused tax credits, the bill would result in net losses to the State whenever the State purchases a tax credit that its holder could not otherwise use.

New Jersey Aspire Program Impact

The OLS concludes that the purchase of unused tax credits awarded under the New Jersey Aspire Program would increase State expenditures by up to $5.7 billion over several years.

The authority awards Aspire tax credits to the developers of certain redevelopment projects. As of May 16, 2025, the authority has approved $2.7 billion in Aspire tax credits, including for transformative projects, and some $4.0 billion in tax credits remain available for award.

If the remaining $4.0 billion in tax credits were awarded and remain unused by taxpayers, then the State would be required to purchase up to $6.7 billion in total unused Aspire tax credits. At a required purchase price of 85 percent of the tax credit amount, the bill would cause the State to incur additional costs of up to $5.7 billion for these purchases.

Cultural Arts Incentives Program Impact

The OLS concludes that the purchase of unused tax credits awarded under the Cultural Arts Incentives Program would increase State expenditures by $340 million to $1.0 billion.

The Cultural Arts Incentives Program (recently renamed the Cultural Arts Facilities Expansion Program by the authority) incentivizes the development of cultural arts projects by cultural arts institutions, either independently or in collaboration with governmental entities. The program shares a $1.2 billion tax credit authorization with the New Jersey Community-Anchored Development Program, the totality of which remains available to date. Current law sets aside at least $400 million in tax credits for the Cultural Arts Incentives Program.

Consequently, the actual amount allocated to the tax credit program may range from $400 million to $1.2 billion. Accordingly, at 85 percent of face value, the State would expend an additional $340 million to $1.0 billion to purchase these tax credits if the initial recipients were to sell them to the State.

Section:	*Revenue, Finance, and Appropriations*
Analyst:	*Scott A. Brodsky* *Staff Fiscal and Budget Analyst*
Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

SENATE, No. 4027

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JANUARY 14, 2025

Sponsored by:
Senator NILSA I. CRUZ-PEREZ
District 5 (Camden and Gloucester)
Senator NELLIE POU
District 35 (Bergen and Passaic)

SYNOPSIS

Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 3/17/2025)

AN ACT concerning the purchase of certain unused tax credits issued under the New Jersey Economic Recovery Act of 2020 and amending P.L.2020, c.156.

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

1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section, and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or

(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director.

b. The Director of the Division of Taxation in the Department of the Treasury may or shall, subject to the provisions of subsection a. of this section, purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections **[**1**]** 2 through 8 of P.L.2020, c.156 (**[**C.34:1B-269**]** C.34:1B-270 through C.34:1B-276);

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.

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the " Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b); **[**and**]**

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b)<u>; and</u>

<u>(13) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.)</u>.

(cf: P.L.2020, c.156, s.89)

2. This act shall take effect immediately.

STATEMENT

This bill requires the Director of the Division of Taxation in the Department of the Treasury (director) to purchase unused tax credits awarded under the New Jersey Aspire Program (Aspire Program) and the Cultural Arts Incentives Program.

Under current law, the director is permitted to purchase unused tax credits awarded under various economic development programs established under the "New Jersey Economic Recovery Act of 2020," including the Aspire Program.

Under the bill, the director is required to purchase unused tax credits and tax credit transfer certificates awarded under the Aspire Program and the Cultural Arts Incentives Program in an amount equal to 85 percent of the value of the tax credit, provided that certain conditions are met. In both cases, the bill requires the issuance date of the tax credit certificate or tax credit transfer certificate to have occurred at least one year prior to the date of application to the director.

[First Reprint]

SENATE, No. 4027

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JANUARY 14, 2025

Sponsored by:
Senator NILSA I. CRUZ-PEREZ
District 5 (Camden and Gloucester)
Senator NELLIE POU
District 35 (Bergen and Passaic)

Co-Sponsored by:
Senator Wimberly

SYNOPSIS

Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on March 17, 2025, with amendments.

(Sponsorship Updated As Of: 3/24/2025)

AN ACT concerning the purchase of certain unused tax credits issued under the New Jersey Economic Recovery Act of 2020 and amending P.L.2020, c.156.

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

[1]**[**1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in <u>paragraphs (1) through (5) or paragraphs (7) through (12) of</u> subsection b. of this section, <u>and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section,</u> including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under<u>:</u>

<u>(1)</u> the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345)<u>;</u>

<u>(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or</u>

<u>(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director</u>.

b. The Director of the Division of Taxation in the Department of the Treasury may <u>or shall, subject to the provisions of subsection a. of this section,</u> purchase tax credits awarded under the following:

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 <u>thus</u> is new matter
Matter enclosed in superscript numerals has been adopted as follows:
[1]Senate SBA committee amendments adopted March 17, 2025.

(1) the "Historic Property Reinvestment Act," sections **[**1**]** 2 through 8 of P.L.2020, c.156 (**[**C.34:1B-269**]** C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the " Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b); **[**and**]**

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the “Cultural Arts Incentives Program Act,” P.L.2023, c.197 (C.34:1B-383 et al.).

(cf: P.L.2020, c.156, s.89)**]**[1]

[1]1. Section 89 of P.L.2020, c.156 (C.52:18A-263) is amended to read as follows:

89. a. The Director of the Division of Taxation in the Department of the Treasury may purchase unused tax credits awarded under a program listed in paragraphs (1) through (5) or paragraphs (7) through (12) of subsection b. of this section, and shall purchase unused tax credits awarded under a program listed in paragraphs (6) and (13) of subsection b. of this section, including tax credit transfer certificates issued by the director in lieu of a tax credit allowed under such programs. The director shall not pay consideration in excess of 75 percent of the credit amount to be purchased, except for a credit awarded under:

(1) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), which shall be subject to the provisions of paragraph (4) of subsection d. of section 77 of P.L.2020, c.156 (C.34:1B-345);

(2) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335), as

amended and supplemented, for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director, and further provided that, if the application to the director is submitted after the sixth year of the eligibility period, the amount in excess of the reasonable and appropriate rate of return on investment that the developer is required to pay pursuant to subsection c. of section 60 of P.L.2020, c.156 (C.34:1B-328) shall increase to 50 percent; or

(3) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), for which the director shall pay an amount equal to 85 percent of the credit amount, provided that the issuance date of the tax credit certificate or tax credit transfer certificate to the developer or the holder of such certificate occurred at least one year prior to the date of application to the director.

b. The Director of the Division of Taxation in the Department of the Treasury may <u>or shall, subject to the provisions of subsection a. of this section,</u> purchase tax credits awarded under the following:

(1) the "Historic Property Reinvestment Act," sections 2 through 8 of P.L.2020, c.156 (C.34:1B-270 through C.34:1B-276);

(2) the "Brownfield Redevelopment Incentive Program Act," sections 9 through 19 of P.L.2020, c.156 (C.34:1B-277 through C.34:1B-287);

(3) the "New Jersey Innovation Evergreen Act," sections 20 through 34 of P.L.2020, c.156 (C.34:1B-288 through C.34:1B-302);

(4) the "Food Desert Relief Act," sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through C.34:1B-310);

(5) the "New Jersey Community-Anchored Development Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311 through C.34:1B-321);

(6) the "New Jersey Aspire Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335);

(7) the "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.);

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

(9) section 6 of P.L.2010, c.57 (C.34:1B-209.4);

(10) the State Economic Redevelopment and Growth Grant program established pursuant to section 5 of P.L.2009, c.90 (C.52:27D-489e);

(11) section 1 of P.L.2018, c.56 (C.54:10A-5.39b);

(12) section 2 of P.L.2018, c.56 (C.54A:4-12b); and

(13) the "Cultural Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.).[1]

(cf: P.L.2025, c.2, s.9)

2. This act shall take effect immediately.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 4027

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 17, 2025

The Senate Budget and Appropriations Committee reports favorably and with committee amendments Senate Bill No. 4027.

As amended and reported, this bill requires the Director of the Division of Taxation in the Department of the Treasury (director) to purchase unused tax credits awarded under the New Jersey Aspire Program (Aspire Program) and the Cultural Arts Incentives Program.

Under current law, the director is permitted to purchase unused tax credits awarded under various economic development programs established under the "New Jersey Economic Recovery Act of 2020," including the Aspire Program and the Cultural Arts Incentives Program.

Under the bill, the director is required to purchase unused tax credits and tax credit transfer certificates awarded under the Aspire Program and the Cultural Arts Incentives Program in an amount equal to 85 percent of the value of the tax credit, provided that certain conditions are met. In both cases, the bill requires the issuance date of the tax credit certificate or tax credit transfer certificate to have occurred at least one year prior to the date of application to the director.

COMMITTEE AMENDMENTS:

The committee amendments provide technical changes to the bill to update the underlying statute in light of a recent enactment of law.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that requiring the State to purchase certain tax credits would result in indeterminate increases in State expenditures and State revenues over a multi-year period. Absent an established history of State tax credit purchases, the direction and magnitude of the net fiscal impact cannot be reliably forecast because the net effect would depend on the specific circumstances of each individual State tax credit purchase.

If all tax credits issued through the New Jersey Aspire Program and the Cultural Arts Incentive Program were unused and purchased by the State at the required 85 percent of face value, the State would incur additional expenditures of up to $6.7 billion. Several factors are likely to reduce total State tax credit purchases below this maximum.

Whenever the State would acquire an unused tax credit at the required 85 percent of face value that otherwise would have been redeemed at 100 percent of face value, the State would realize a revenue gain equal to the full amount of the tax credit and a net financial gain equal to 15 percent thereof. However, requiring the State to buy a tax credit that would not be used otherwise would cause a net loss to the State equal to 85 percent of the credit's face value.

LEGISLATIVE FISCAL ESTIMATE

SENATE, No. 4027

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: FEBRUARY 5, 2025

SUMMARY

Synopsis:	Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.
Type of Impact:	Multi-year increases in State costs and revenues.
Agencies Affected:	Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	**FY 2025 & Thereafter**
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that requiring the State to purchase certain tax credits would result in indeterminate increases in State expenditures and State revenues over a multi-year period. Absent an established history of State tax credit purchases, the direction and magnitude of the net fiscal impact cannot be reliably forecast because the net effect would depend on the specific circumstances of each individual State tax credit purchase.

- If all tax credits issued through the New Jersey Aspire Program and the Cultural Arts Incentive Program were unused and purchased by the State at the required 85 percent of face value, the State would incur additional expenditures of up to $6.7 billion. Several factors are likely to reduce total State tax credit purchases below this maximum.

- Whenever the State would acquire an unused tax credit at the required 85 percent of face value that otherwise would have been redeemed at 100 percent of face value, the State would realize a revenue gain equal to the full amount of the tax credit and a net financial gain equal to 15 percent thereof. However, requiring the State to buy a tax credit that would not be used otherwise would cause a net loss to the State equal to 85 percent of the credit's face value.

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BILL DESCRIPTION

The bill would require the Division of Taxation in the Department of the Treasury to purchase unused tax credits issued under the New Jersey Aspire Program and the Cultural Arts Incentives Program at 85 percent of face value. Current law only permits tax credit purchases by the division.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would have two countervailing multi-year impacts on State finances: expenditure increases from tax credit purchases and revenue increases from the avoided redemption of tax credits. The OLS, however, lacks the informational basis to determine the direction and magnitude of the bill's net fiscal impact as it would depend on the specific presently unknown circumstances of each individual tax credit purchase.

Based on current law and information available through the New Jersey Economic Development Authority (EDA), the OLS estimates that the State may be required to purchase up to $7.9 billion in unused tax credits if the bill is enacted into law. Since the bill requires the State to pay 85 percent of the credit amount, the State would incur a maximum of $6.7 billion in additional costs over a period of several fiscal years.

Several factors would reduce State tax credit purchases relative to the $6.7 billion maximum. The State may not award all remaining tax credits available through the Aspire Program and the Cultural Arts Incentive Program. A portion of the tax credits that may currently be awarded through the Aspire Program may be transferred to support the film and digital media tax credit program. Final tax credits issued after project completion may be less than initially awarded by the EDA if a completed project is inconsistent with initial project plans. Finally, some of the tax credits will be redeemed by taxpayers.

The purchase of unused tax credits would have an indeterminate net impact on State finances, as the net impact would depend on the circumstances of each individual purchase. In principle, every tax credit purchase will increase short-term State expenditures and may potentially decrease long-term State revenue losses.

Under current law, the Division of Taxation already has the authority to purchase certain unused tax credits. To date, the division has chosen not to exercise this authority. For purposes of this estimate, the OLS assumes that the division will continue not to acquire tax credits under current law. Therefore, for purposes of illustration, if the State were to purchase an unused $1 million tax credit at 85 percent of face value, the State would expend $850,000 and would avoid the $1 million tax revenue loss that would have occurred if the tax credit had been redeemed at the full amount, either by the initial awardee of the tax credit or a third-party purchaser. The result would be a $150,000 net long-term gain to the State.

However, if the holder is unable to use the tax credit, then the State would only incur the $850,000 expenditure increase, resulting in an $850,000 net loss to the State. Consequently, by requiring the State to purchase these unused tax credits, the bill would result in net losses to the State whenever the State purchases a tax credit that its holder could not otherwise use.

<u>New Jersey Aspire Program Impact</u>

The OLS concludes that the purchase of unused tax credits awarded under the New Jersey Aspire Program would increase State expenditures by up to $5.7 billion over several years.

The EDA awards Aspire tax credits to the developers of certain redevelopment projects. As of January 25, 2025, the EDA has approved $2.6 billion in Aspire tax credits, including for transformative projects, and some $4.1 billion in tax credits remain available for award.

If the remaining $4.1 billion in tax credits were awarded and remained unused by taxpayers, then the State would be required to purchase up to $6.7 billion in unused Aspire tax credits. At a required purchase price of 85 percent of the tax credit amount, the bill would cause the State to incur additional costs of up to $5.7 billion for these purchases.

<u>Cultural Arts Incentive Program Impact</u>

The OLS concludes that the purchase of unused tax credits awarded under the Cultural Arts Incentive Program would increase State expenditures by $340 million to $1.0 billion.

The Cultural Arts Incentive Program (recently renamed the Cultural Arts Facilities Expansion Program by the EDA) incentivizes the development of cultural arts projects by cultural arts institutions, either independently or in collaboration with governmental entities. The program shares a $1.2 billion tax credit authorization with the New Jersey Community-Anchored Development Program, the totality of which remains available to date. Current law sets aside at least $400 million in tax credits for the Cultural Arts Incentive Program.

Consequently, the actual amount allocated to the tax credit program may range from $400 million to $1.2 billion. Accordingly, at 85 percent of face value, the State would expend an additional $340 million to $1.0 billion to purchase these tax credits if the initial recipients of the tax credits were to sell them to the State.

Section:	*Revenue, Finance and Appropriations*
Analyst:	*Scott A. Brodsky* *Staff Fiscal and Budget Analyst*
Approved:	*Thomas Koenig* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 4027

STATE OF NEW JERSEY
221st LEGISLATURE

DATED: JUNE 4, 2025

SUMMARY

Synopsis: Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020.

Type of Impact: Multi-year increases in State costs and revenues.

Agencies Affected: Department of the Treasury.

Office of Legislative Services Estimate

Fiscal Impact	FY 2025 & Thereafter
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) concludes that requiring the State to purchase certain tax credits would result in indeterminate increases in State expenditures and State revenues over a multi-year period. Absent an established history of State tax credit purchases, the direction and magnitude of the net fiscal impact cannot be reliably forecast because the net effect would depend on the specific circumstances of each individual State tax credit purchase.

- If all tax credits issued through the New Jersey Aspire Program and the Cultural Arts Incentives Program were unused and purchased by the State at the required 85 percent of face value, the State would incur additional expenditures of up to $6.7 billion. Several factors are likely to reduce total State tax credit purchases below this maximum.

- Whenever the State would acquire an unused tax credit at the required 85 percent of face value that otherwise would have been redeemed at 100 percent of face value, the State would realize a revenue gain equal to the full amount of the tax credit and a net financial gain equal to 15 percent thereof. However, requiring the State to buy a tax credit that would not have been used otherwise would cause a net loss to the State equal to 85 percent of the credit's face value.

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BILL DESCRIPTION

This bill would require the Division of Taxation in the Department of the Treasury to purchase unused tax credits issued under the New Jersey Aspire Program and the Cultural Arts Incentives Program at 85 percent of face value. Current law only permits tax credit purchases by the division.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that the bill would have two countervailing multi-year impacts on State finances: expenditure increases from tax credit purchases and revenue increases from the avoided redemption of tax credits. The OLS, however, lacks the informational basis to determine the direction and magnitude of the bill's net fiscal impact as it would depend on the specific, presently unknown, circumstances of each individual's tax credit purchase.

Based on current law and information available through the New Jersey Economic Development Authority, the OLS estimates that the State may be required to purchase up to $7.9 billion in unused tax credits if the bill is enacted into law. Since the bill requires the State to pay 85 percent of the credit amount, the State would incur a maximum of $6.7 billion in additional costs over a period of several fiscal years.

Several factors would reduce State tax credit purchases relative to the $6.7 billion maximum. The State may not award all remaining tax credits available through the Aspire Program and the Cultural Arts Incentives Program. A portion of the tax credits that may currently be awarded through the Aspire Program may be transferred to support the film and digital media tax credit program. Final tax credits issued after project completion may be less than initially awarded by the authority if a completed project is consistent with initial project plans. Finally, some of the tax credits will be redeemed by taxpayers.

Current law allows taxpayers to sell or transfer tax credits awarded through other economic development programs. In response to an FY 2026 OLS Discussion Point, the authority noted that in FY 2024 and FY 2025, the average sales price of tax credits awarded to taxpayers through the Economic Redevelopment and Growth Grant Program, Film and Digital Media Tax Credit Program, Grow New Jersey Assistance Program, and Urban Transit Hub Tax Credit Program ranged from 88 cents per dollar to 93 cents per dollar. The OLS notes that these sale prices reflect current market conditions.

The purchase of unused tax credits would have an indeterminate net impact on State finances, as the net impact would depend on the circumstances of each individual purchase. In principle, every tax credit purchase will increase short-term State expenditures and may potentially decrease long-term State revenue losses.

Under current law, the Division of Taxation already has the authority to purchase certain unused tax credits. To date, the division has chosen not to exercise this authority. For purposes of this estimate, the OLS assumes that the division will continue not to acquire tax credits under current law. Therefore, for purposes of illustration, if the State were to purchase an unused $1 million tax credit at 85 percent of face value, the State would expend $850,000 and would avoid the $1 million tax revenue loss that would have occurred if the tax credit had been redeemed at the full amount, either by the initial awardee of the tax credit or a third-party purchaser. The result would be a $150,000 net long-term gain to the State.

However, if the holder were unable to use the tax credit, then the State would only incur the $850,000 expenditure increase, resulting in an $850,000 net loss to the State. Consequently, by requiring the State to purchase these unused tax credits, the bill would result in net losses to the State whenever the State purchases a tax credit that its holder could not otherwise use.

New Jersey Aspire Program Impact

The OLS concludes that the purchase of unused tax credits awarded under the New Jersey Aspire Program would increase State expenditures by up to $5.7 billion over several years.

The authority awards Aspire tax credits to the developers of certain redevelopment projects. As of May 16, 2025, the authority has approved $2.7 billion in Aspire tax credits, including for transformative projects, and some $4.0 billion in tax credits remain available for award.

If the remaining $4.0 billion in tax credits were awarded and remain unused by taxpayers, then the State would be required to purchase up to $6.7 billion in total unused Aspire tax credits. At a required purchase price of 85 percent of the tax credit amount, the bill would cause the State to incur additional costs of up to $5.7 billion for these purchases.

Cultural Arts Incentives Program Impact

The OLS concludes that the purchase of unused tax credits awarded under the Cultural Arts Incentives Program would increase State expenditures by $340 million to $1.0 billion.

The Cultural Arts Incentives Program (recently renamed the Cultural Arts Facilities Expansion Program by the authority) incentivizes the development of cultural arts projects by cultural arts institutions, either independently or in collaboration with governmental entities. The program shares a $1.2 billion tax credit authorization with the New Jersey Community-Anchored Development Program, the totality of which remains available to date. Current law sets aside at least $400 million in tax credits for the Cultural Arts Incentives Program.

Consequently, the actual amount allocated to the tax credit program may range from $400 million to $1.2 billion. Accordingly, at 85 percent of face value, the State would expend an additional $340 million to $1.0 billion to purchase these tax credits if the initial recipients were to sell them to the State.

Section: *Revenue, Finance, and Appropriations*

Analyst: *Scott A. Brodsky*
Staff Fiscal and Budget Analyst

Approved: *Thomas Koenig*
Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

Governor Murphy Takes Action on Legislation

Posted on - 07/22/2025

TRENTON – Today, Governor Murphy signed the following bills into law:

S2167/A1406 (Ruiz, Vitale/Haider, Swain) – Requires public and certain nonpublic schools to comply with breakfast and lunch standards adopted by USDA

S3052/A4878 (Johnson, Space/Park, Tucker, Speight) – Concerns grade options at public institutions of higher education for service member and dependents unable to complete course due to military obligation

S3711/A5153 (McKeon, Zwicker/Haider, Reynolds-Jackson, Spearman) – Makes annual allocation of $500,000 from Clean Communities Program Fund for public outreach concerning single-use plastics reduction program permanent.

SCS for S3982/A4592 (Ruiz/Reynolds-Jackson/Carter, Morales) – Requires certain information be provided to parent at least two business days prior to annual Individualized Education Program (IEP) team meeting; establishes IEP Improvement Working Group in DOE.

S4263/A5408 (Vitale, Scutari/Carter, Sumter. Speight) – Revises certain provisions concerning, and establishes certain education and data reporting requirements related to, involuntary commitment.

S4426/A5622 (Burzichelli, Singer/Schnall, Peterpaul, Kane) – Appropriates funds to DEP for environmental infrastructure projects for FY2026

S4439/A5729 (Lagana, Cryan/Swain) – Establishes protections for student-athletes and certain institutions of higher education concerning name, image, or likeness compensation; repeals "New Jersey Fair Play Act."

A3128/SCS for S4071/S3155 (Coughlin, Wimberly, Pintor Marin/Ruiz, Scutari, Singleton, Greenstein, Turner) – Authorizes HMFA to use certain tax credits; directs HMFA to conduct tax credit auctions to provide financial assistance for certain housing purposes

A4897/S3769 (Carter, Atkins, Reynolds-Jackson/Cryan, Amato) – Revises law requiring certain student identification cards to contain telephone number for suicide prevention hotline

A5170/S4027 (Pintor Marin, Speight/Cruz-Perez, Pou) – Requires State to purchase certain unused tax credits issued under New Jersey Economic Recovery Act of 2020

A5546/S4388 (Verrelli, Reynolds-Jackson/Turner) – Concerns financial powers and responsibilities of Capital City Redevelopment Corporation.