# 34:1B-209 et al LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF**: 2015 **CHAPTER**: 252

**NJSA:** 34:1B-209 et al (Delays certain documentation submission deadlines under certain business tax credit

programs.)

BILL NO: S3182 (Substituted for A4690 (2R))

SPONSOR(S) Ruiz, M. Teresa, and others

**DATE INTRODUCED:** October 19, 2015

COMMITTEE: ASSEMBLY: ---

**SENATE:** Economic Growth

AMENDED DURING PASSAGE: Yes

**DATE OF PASSAGE:** ASSEMBLY: 1/11/2016

**SENATE**: 1/7/2016

**DATE OF APPROVAL:** January 19, 2016

**FOLLOWING ARE ATTACHED IF AVAILABLE:** 

FINAL TEXT OF BILL (Second Reprint enacted)

Yes

S3182

INTRODUCED BILL: (Includes sponsor(s) statement)

Yes

**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: Yes

LEGISLATIVE FISCAL ESTIMATE: No

A4690 (2R)

INTRODUCED BILL: (Includes sponsor(s) statement)

Yes

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: Yes

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE:	No
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REPORTS:	No
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end

#### P.L.2015, CHAPTER 252, approved January 19, 2016 Senate, No. 3182 (Second Reprint)

1 AN ACT concerning certain documentation submission under <sup>2</sup> [the
2 Urban Transit Hub Tax Credit Program] certain business tax
3 credit programs<sup>2</sup> and amending <sup>2</sup> [P.L.2007, c.346 and P.L.2009,
4 c.90] various parts of the statutory law<sup>2</sup>.

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

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- 1. Section 3 of P.L.2007, c.346 (C.34:1B-209) is amended to read as follows:
- 11 3. a. (1) A business, upon application to and approval from 12 the authority, shall be allowed a credit of 100 percent of its capital investment, made after the effective date of P.L.2007, c.346 13 14 (C.34:1B-207 et seq.) but prior to its submission of documentation 15 pursuant to subsection c. of this section, in a qualified business 16 facility within an eligible municipality, pursuant to the restrictions 17 and requirements of this section. To be eligible for any tax credits 18 authorized under this section, a business shall demonstrate to the 19 authority, at the time of application, that the State's financial 20 support of the proposed capital investment in a qualified business 21 facility will yield a net positive benefit to both the State and the 22 eligible municipality. The value of all credits approved by the 23 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) shall 24 not exceed \$1,750,000,000, except as may be increased by the 25 authority as set forth in paragraph (5) of subsection a. of P.L.2009, 26 c.90 (C.34:1B-209.3) and section 6 of P.L.2010, c.57 (C.34:1B-27 209.4).
  - (2) A business, other than a tenant eligible pursuant to paragraph (3) of this subsection, shall make or acquire capital investments totaling not less than \$50,000,000 in a qualified business facility, at which the business shall employ not fewer than 250 full-time employees to be eligible for a credit under this section. A business that acquires a qualified business facility shall also be deemed to have acquired the capital investment made or acquired by the seller.
  - (3) A business that is a tenant in a qualified business facility, the owner of which has made or acquired capital investments in the facility totaling not less than \$50,000,000, shall occupy a leased area of the qualified business facility that represents at least \$17,500,000 of the capital investment in the facility at which the

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:

<sup>1</sup>Senate SEG committee amendments adopted November 16, 2015.

<sup>&</sup>lt;sup>2</sup>Senate floor amendments adopted December 17, 2015.

tenant business and up to two other tenants in the qualified business facility shall employ not fewer than 250 full-time employees in the aggregate to be eligible for a credit under this section. The amount of capital investment in a facility that a leased area represents shall be equal to that percentage of the owner's total capital investment in the facility that the percentage of net leasable area leased by the tenant is of the total net leasable area of the qualified business facility. Capital investments made by a tenant shall be deemed to be included in the calculation of the capital investment made or acquired by the owner, but only to the extent necessary to meet the owner's minimum capital investment of \$50,000,000. investments made by a tenant and not allocated to meet the owner's minimum capital investment threshold of \$50,000,000 shall be added to the amount of capital investment represented by the tenant's leased area in the qualified business facility.

- (4) A business shall not be allowed tax credits under this section if the business participates in a business employment incentive **I**grant **]** agreement, pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.), relating to the same capital and employees that qualify the business for this credit, or if the business receives assistance pursuant to P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is allowed a tax credit under this section shall not be eligible for incentives authorized pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.). A business shall not qualify for a tax credit under this section, based upon its capital investment and the employment of full-time employees, if that capital investment or employment was the basis for which a grant was provided to the business pursuant to the "InvestNJ Business Grant Program Act," P.L.2008, c.112 (C.34:1B-237 et seq.).
- (5) Full-time employment for an accounting or  $\underline{a}$  privilege period shall be determined as the average of the monthly full-time employment for the period.
- (6) The capital investment of the owner of a qualified business facility is that percentage of the capital investment made or acquired by the owner of the building that the percentage of net leasable area of the qualified business facility not leased to tenants is of the total net leasable area of the qualified business facility.
- (7) A business shall be allowed a tax credit of 100 percent of its capital investment, made after the effective date of P.L.2011, c.89 but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified business facility that is part of a mixed use project, provided that (a) the qualified business facility represents at least \$17,500,000 of the total capital investment in the mixed use project, (b) the business employs not fewer than 250 full-time employees in the qualified business facility, and (c) the total capital investment in the mixed use project of which the qualified business facility is a part is not less than \$50,000,000. The allowance of credits under this paragraph shall be subject to the restrictions and requirements, to the extent that those are not

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inconsistent with the provisions of this paragraph, set forth in paragraphs (1) through (6) of this subsection, including, but not limited to, the requirement that the business shall demonstrate to the authority, at the time of application, that the State's financial support of the proposed capital investment in a qualified business facility will yield a net positive benefit to both the State and the eligible municipality.

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(8) In determining whether a proposed capital investment will yield a net positive benefit, the authority shall not consider the transfer of an existing job from one location in the State to another location in the State as the creation of a new job, unless (a) the business proposes to transfer existing jobs to a municipality in the State as part of a consolidation of business operations from two or more other locations that are not in the same municipality whether in-State or out-of-State, or (b) the business's chief executive officer, or equivalent officer, submits a certification to the authority indicating that the existing jobs are at risk of leaving the State and that the business's chief executive officer, or equivalent officer, has reviewed the information submitted to the authority and that the representations contained therein are accurate, and the business intends to employ not fewer than 500 full-time employees in the qualified business facility. In the event that this certification by the business's chief executive officer, or equivalent officer, is found to be willfully false, the authority may revoke any award of tax credits in their entirety, which revocation shall be in addition to any other criminal or civil penalties that the business and the officer may be subject to. When considering an application involving intra-State job transfers, the authority shall require the company to submit the following information as part of its application: a full economic analysis of all locations under consideration by the company; all lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations; and all lease agreements, ownership documents, or substantially similar documentation for the potential out-of-State location alternatives, to the extent they exist. Based on this information, and any other information deemed relevant by the authority, the authority shall independently verify and confirm, by way of making a factual finding by separate vote of the authority's board, the business's assertion that the jobs are actually at risk of leaving the State, before a business may be awarded any tax credits under this section.

b. (1) If applications under this section have been received by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), then, to the extent that there remains sufficient financial authorization for the award of a tax credit, the authority is authorized to consider those applications and to make awards of tax credits to eligible applicants, provided that the authority shall take final action on those applications no later than December 31, 2013.

(2) A business shall apply for the credit under this section prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), and shall submit its documentation for approval of its credit amount no later than April 26, <sup>1</sup>[2017, except as provided in paragraph (1) of subsection b. of section 35 of P.L.2009, c.90 (C.34:1B-209.3)] <sup>2</sup>[2018<sup>1</sup>]2019<sup>2</sup>.

- (3) If a business has submitted an application under this section and that application has not been approved for any reason, the lack of approval shall not serve to prejudice in any way the consideration of a new application as may be submitted for the qualified business facility for the provision of incentives offered pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
- (4) Tax credits awarded pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) for applications submitted to and approved by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), shall be administered by the authority in the manner established prior to that date.
- (5) With respect to an application received by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) for a qualified business facility that is located on or adjacent to the campus of an acute care medical facility, (a) the minimum number of full-time employees required for eligibility under the program may be employed by any number of tenants or other occupants of the facility, in the aggregate, and the initial satisfaction of '[such] the' requirement following completion of the project shall be deemed to satisfy the employment requirements of the program in all respects, and (b) if the capital investment in the facility exceeds \$100,000,000, the determination of the net positive benefit yield shall be based on the benefits generated during a period of up to 30 years following the completion of the project, as determined by the authority.
- c. (1) The amount of credit allowed shall, except as otherwise provided, be equal to the capital investment made by the business, or the capital investment represented by the [business'] business's leased area, or area owned by the business as a condominium, and shall be taken over a 10-year period, at the rate of one-tenth of the total amount of the [business'] business's credit for each tax accounting or privilege period of the business, beginning with the tax period in which the business is first certified by the authority as having met the investment capital and employment qualifications, subject to any reduction or disqualification as provided by subsection d. of this section as determined by annual review by the authority. In conducting its annual review, the authority may require a business to submit any information determined by the authority to be necessary and relevant to its review.

The credit amount for any tax period ending after July 28, [2017] <sup>2</sup>[2018] 2019<sup>2</sup> during which the documentation of a [business'] business's credit amount remains uncertified shall be forfeited, although credit amounts for the remainder of the years of the 10-year credit period shall remain available to it.

The credit amount that may be taken for a tax period of the business that exceeds the final liabilities of the business for the tax period may be carried forward for use by the business in the next 20 successive tax periods, and shall expire thereafter, provided that the value of all credits approved by the authority against tax liabilities pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) in any fiscal year shall not exceed \$260,000,000.

The amount of credit allowed for a tax period to a business that is a tenant in a qualified business facility shall not exceed the [business'] business's total lease payments for occupancy of the qualified business facility for the tax period.

- (2) A business that is a partnership shall not be allowed a credit under this section directly, but the amount of credit of an owner of a business shall be determined by allocating to each owner of the partnership that proportion of the credit of the business that is equal to the owner of the partnership's share, whether or not distributed, of the total distributive income or gain of the partnership for its tax period ending within or <sup>2</sup>[with] at the end of <sup>2</sup> the owner's tax period, or that proportion that is allocated by an agreement, if any, among the owners of the partnership that has been provided to the Director of the Division of Taxation in the Department of the Treasury by [such] the time and accompanied by [such] the additional information as the director may require.
- (3) The amount of credit allowed may be applied against the tax liability otherwise due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), pursuant to section 1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.
- d. (1) If, in any tax period, fewer than 200 full-time employees of the business at the qualified business facility are employed in new full-time positions, the amount of the credit otherwise determined pursuant to final calculation of the award of tax credits pursuant to subsection c. of this section shall be reduced by 20 percent for that tax period and each subsequent tax period until the first period for which documentation demonstrating the restoration of the 200 full-time employees employed in new full-time positions at the qualified business facility has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed; provided, however, that for businesses applying before January 1, 2010, there shall be no reduction if a business relocates to an urban transit hub from another location or other locations in the same municipality. For the purposes of this paragraph, a "new full-time position" means a

position created by the business at the qualified business facility that did not previously exist in this State.

- (2) If, in any tax period, the business reduces the total number of full-time employees in its Statewide workforce by more than 20 percent from the number of full-time employees in its Statewide workforce in the last tax accounting or privilege period prior to the credit amount approval under subsection a. of this section, then the business shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the [business'] business's Statewide workforce to the threshold levels required by this paragraph has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.
- (3) If, in any tax period, (a) the number of full-time employees employed by the business at the qualified business facility located in an urban transit hub within an eligible municipality drops below 250, or (b) the number of full-time employees, who are not the subject of intra-State job transfers, pursuant to paragraph (8) of subsection a. of this section, employed by the business at any other business facility in the State, whether or not located in an urban transit hub within an eligible municipality, drops by more than 20 percent from the number of full-time employees in its workforce in the last tax accounting or privilege period prior to the credit amount approval under this section, then the business shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the number of full-time employees employed by the business at the qualified business facility to 250 or an increase above the 20 percent reduction has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.
- (4) (i) If the qualified business facility is sold in whole or in part during the 10-year eligibility period, the new owner shall not acquire the capital investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods **[,]**; provided, however, that any credits of tenants shall remain unaffected.
- (ii) If a tenant subleases its tenancy in whole or in part during the 10-year eligibility period, the new tenant shall not acquire the credit of the sublessor, and the sublessor tenant shall forfeit all credits for the tax period of its sublease and all subsequent tax periods.
- e. (1) The Executive Director of the New Jersey Economic Development Authority, in consultation with the Director of the Division of Taxation in the Department of the Treasury, shall adopt rules in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement [this act] P.L.2007, c.346 (C.34:1B-207 et seq.), including, but not limited to: examples of and the determination of capital investment;

1 the enumeration of eligible municipalities; specific delineation of 2 urban transit hubs; the determination of the limits, if any, on the 3 expense or type of furnishings that may constitute capital 4 improvements; the promulgation of procedures and forms necessary 5 to apply for a credit, including the enumeration of the certification 6 procedures and allocation of tax credits for different phases of a 7 qualified business facility or mixed use project; and provisions for 8 credit applicants to be charged an initial application fee, and 9 ongoing service fees, to cover the administrative costs related to the 10 credit.

(2) Through regulation, the **[**Economic Development Authority**]** authority shall establish standards based on the green building manual prepared by the Commissioner of Community Affairs, pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction.

(cf: P.L.2013, c.161, s.4)

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2. Section 35 of P.L.2009, c.90 (C.34:1B-209.3) is amended to read as follows:

35. a. (1) A developer, upon application to and approval from the authority, shall be allowed a credit of up to 35 percent of its capital investment, or up to 40 percent for a project located in a Garden State Growth Zone, made after the effective date of P.L.2009, c.90 (C.52:27D-489a et al.) but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified residential project, pursuant to the restrictions and requirements of this section. To be eligible for any tax credits authorized under this section, a developer shall demonstrate to the authority, through a project pro forma analysis at the time of application, that the qualified residential project is likely to be realized with the provision of tax credits at the level requested, but is not likely to be accomplished by private enterprise without the tax credits. The value of all credits approved by the authority pursuant to this section for qualified residential projects may be up to \$150,000,000, except as may be increased by the authority as set forth below and as set forth in paragraph (5) of this subsection; provided [,]; however, that the combined value of all credits approved by the authority pursuant to section 3 of P.L.2007, c.346 (C.34:1B-207) and this section shall not exceed \$1,750,000,000, except as may be increased by the authority as set forth in paragraph (5) of this subsection. The authority shall monitor application and allocation activity under P.L.2007, c.346 (C.34:1B-207 et seq.), and if sufficient credits are available after taking into account allocation under P.L.2007, c.346 (C.34:1B-207 et seq.) to those qualified business facilities for which applications have been filed or for which applications are reasonably anticipated, and if the executive director judges certain qualified residential projects to be

- meritorious, the aforementioned \$150,000,000 cap may, in the discretion of the executive director, from time to time, be exceeded for allocation to qualified residential projects in [such] amounts as the executive director deems reasonable, justified, and appropriate. In allocating all credits to qualified residential projects under this section, the executive director shall take into account, together with other factors deemed relevant by the executive director: input from the municipality in which the project is to be located [,]; whether the project contributes to the recovery of areas affected by Hurricane Sandy [,]; whether the project furthers specific State or municipal planning and development objectives, or both [,]; and whether the project furthers a public purpose, such as catalyzing urban development or maximizing the value of vacant, dilapidated, outmoded, government-owned, or underutilized property, or both.
  - (2) A developer shall make or acquire capital investments totaling not less than \$50,000,000 in a qualified residential project to be eligible for a credit under this section. A developer that acquires a qualified residential project shall also be deemed to have acquired the capital investment made or acquired by the seller.

- (3) The capital investment requirement may be met by the developer or by one or more of its affiliates.
- (4) A developer of a mixed use project shall be allowed a credit pursuant to subparagraph (a) or (b) of this paragraph, but not both.
- (a) A developer shall be allowed a credit in accordance with this section for a qualified residential project that includes a mixed use project.
- (b) A developer shall be allowed a credit of up to 35 percent of its capital investment, or up to 40 percent for a project located in a Garden State Growth Zone, made after the effective date of P.L.2011, c.89, but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified residential project that is part of a mixed use project, provided that:
- **[**(a)**]** (i) the capital investment in the qualified residential project represents at least \$17,500,000 of the total capital investment in the mixed use project; and
- **[**(b)**]** (ii) the total capital investment in the mixed use project of which the qualified residential project is a part is not less than \$50,000,000.

The allowance of credits under this paragraph shall be subject to the restrictions and requirements, to the extent that those are not inconsistent with the provisions of this paragraph, set forth in paragraphs (1) through (3) of this subsection, including, but not limited to, the requirement prescribed in paragraph (1) of this subsection that the developer shall demonstrate to the authority, through a project pro forma analysis at the time of application, that the qualified residential project is likely to be realized with the provision of tax credits at the level requested but is not likely to be accomplished by private enterprise without the tax credits.

1 As used in this subparagraph:

"Mixed use project" means a project comprising both a qualified residential project and a qualified business facility.

- (5) The authority may approve and allocate credits for qualified residential projects in a value sufficient to meet the requirements of all applications that were received by the authority between October 24, 2012 and December 21, 2012, without regard to the terms of any competitive solicitation, except for the \$33,000,000 per project cap, and without need for reapplication by any applicant. The authority shall take final action on those applications prior to the 120th day after the date of enactment of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
- b. (1) A developer shall apply for the credit under this section on or prior to December 21, 2012 but may thereafter supplement an application as may be requested by the authority. A developer shall submit its documentation for approval of its credit amount no later than April 26, [2017] <sup>2</sup>[2018] 2019<sup>2</sup>.
- (2) If a developer has submitted an application under this section and the application has not been approved for any reason, the lack of approval shall not serve to prejudice in any way the consideration of a new application as may be submitted for the project for the provision of incentives offered pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
- c. The credit shall be administered in accordance with the provisions of subsections c. and e. of section 3 of P.L.2007, c.346 (C.34:1B-209), as amended by section 32 of P.L.2009, c.90, and section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that:
- (1) all references therein to "business" and "qualified business facility" shall be deemed to refer respectively to "developer" and "qualified residential project," as **[**such**]** those terms are defined in section 34 of P.L.2009, c.90 (C.34:1B-209.2); and
- (2) all references therein to credits claimed by tenants and to reductions or disqualifications in credits as determined by annual review of the authority shall be disregarded.

[Provided however, for] For purposes of a "mixed use project" as that term is used and defined pursuant to subparagraph (b) of paragraph (4) of subsection a. of this section, "qualified business facility" means that term as defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

41 (cf: P.L.2013, c.161, s.6)

<sup>2</sup>3. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to read as follows:

6. a. Up to the limits established in subsection b. of this section and in accordance with a redevelopment incentive grant agreement, beginning upon the receipt of occupancy permits for any portion of the redevelopment project, or upon [such] any other

1 event evidencing project completion as set forth in the incentive 2 grant agreement, the State Treasurer shall pay to the developer 3 incremental State revenues directly realized from businesses 4 operating [on or] at the site of the redevelopment project from the 5 following taxes: the Corporation Business Tax Act (1945), 6 P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine 7 insurance companies pursuant to R.S.54:16-1 et seq., the tax 8 imposed on insurers generally, pursuant to P.L.1945, c.132 9 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities 10 gross receipts tax and public utility excise tax imposed on sewerage 11 and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et 12 seq.), those tariffs and charges imposed by electric, natural gas, 13 telecommunications, water and sewage utilities, and cable television 14 companies under the jurisdiction of the New Jersey Board of 15 Utilities, or comparable entity, except for those tariffs, fees, or taxes 16 related to societal benefits charges assessed pursuant to section 12 17 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance 18 with the "Global Warming Response Act," P.L.2007, c.112 19 (C.26:2C-37 et seq.), transitional energy facility assessment unit 20 taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34), 21 and the sales and use taxes on public utility and cable television 22 services and commodities, the tax derived from net profits from 23 business, a distributive share of partnership income, or a pro rata 24 share of S corporation income under the "New Jersey Gross Income 25 Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at 26 the site of a redevelopment project that is required to collect the tax 27 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-28 1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1 29 et seq.) from the purchase of furniture, fixtures and equipment, or 30 materials for the remediation, the construction of new structures at 31 the site of a redevelopment project, the hotel and motel occupancy 32 fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1), 33 or the portion of the fee imposed pursuant to section 3 of P.L.1968, 34 c.49 (C.46:15-7) derived from the sale of real property at the site of 35 the redevelopment project and paid to the State Treasurer for use by the State, that is not credited to the "Shore Protection Fund" or the 36 37 "Neighborhood Preservation Nonlapsing Revolving Fund" ("New 38 Jersey Affordable Housing Trust Fund") pursuant to section 4 of 39 P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to 40 assign their ability to apply for the tax credit under this subsection 41 to a non-profit organization with a mission dedicated to attracting 42 investment and completing development and redevelopment 43 projects in a Garden State Growth Zone. The non-profit 44 organization may make an application on behalf of a developer 45 which meets the requirements for the tax credit, or a group of non-46 qualifying developers, such that these will be considered a unified 47 project for the purposes of the incentives provided under this 48 section.

b. (1) Up to an average of 75 percent of the projected annual incremental revenues or 85 percent of the projected annual incremental revenues in a Garden State Growth Zone may be pledged towards the State portion of an incentive grant.

- (2) In the case of a qualified residential project, if the authority determines that the estimated amount of incremental revenues pledged towards the State portion of an incentive grant is inadequate to fully fund the amount of the State portion of the incentive grant, then in lieu of an incentive grant based on [such] incremental [revenue] revenues, the developer shall be awarded tax credits equal to the full amount of the incentive grant.
- (3) In the case of a mixed use parking project, if the authority determines that the estimated amount of [the] incremental revenues pledged towards the State portion of an incentive grant is inadequate to fully fund the amount of the State portion of the incentive grant, then, in lieu of an incentive grant based on [such] the incremental [revenue] revenues, [a] the municipal redeveloper shall be awarded tax credits equal to the full amount of the incentive grant.

The value of all credits approved by the authority pursuant to paragraph (2) or this paragraph shall not exceed \$600,000,000, of which:

- (a) \$250,000,000 shall be restricted to qualified residential projects within Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean, and Salem counties, of which \$175,000,000 of credits shall be restricted to the following categories of projects: (i) qualified residential projects located in a Garden State Growth Zone located within the aforementioned counties **[,]**; and (ii) mixed use parking projects located in a Garden State Growth Zone or urban transit hub located within the aforementioned counties **[,]**; and \$75,000,000 of credits shall be restricted to qualified residential projects in municipalities with a 2007 Municipal Revitalization Index of 400 or higher as of the date of enactment of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within the aforementioned counties;
- (b) \$250,000,000 shall be restricted to the following categories of projects: (i) qualified residential projects located in urban transit hubs that are commuter rail in nature that otherwise do not qualify under subparagraph (a) of this paragraph [,]; (ii) qualified residential projects located in Garden State Growth Zones that do not qualify under subparagraph (a) of this paragraph [,]; (iii) mixed use parking projects located in urban transit hubs or Garden State Growth Zones that do not qualify under subparagraph (a) of this paragraph, provided however, an urban transit hub shall be allocated no more than \$25,000,000 for mixed use parking projects [,]; (iv) qualified residential projects which are disaster recovery projects that otherwise do not qualify under subparagraph (a) of this

1 paragraph [,]; and (v) qualified residential projects in SDA 2 municipalities located in Hudson County that were awarded State 3 Aid in State Fiscal Year 2013 through the Transitional Aid to 4 Localities program and otherwise do not qualify under 5 subparagraph (a) of this paragraph [,] and \$25,000,000 of credits 6 shall be restricted to mixed use parking projects in Garden State 7 Growth Zones which have a population in excess of 125,000 and do 8 not qualify under subparagraph (a) of this paragraph;

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- (c) \$75,000,000 shall be restricted to the following categories of projects: (i) qualified residential projects located in distressed municipalities, deep poverty pockets, highlands development credit receiving areas or redevelopment areas, otherwise not qualifying pursuant to subparagraph (a) or (b) of this paragraph **[,]**; and (ii) mixed use parking projects that do not qualify under subparagraph (a) or (b) of this paragraph, which include a vacant commercial building located wholly or partially within a distressed municipality, and which are used by an independent institution of higher education, a school of medicine, a nonprofit hospital system, or any combination thereof; and
- (d) \$25,000,000 shall be restricted to qualified residential projects that are located within a qualifying economic redevelopment and growth grant incentive area otherwise not qualifying under subparagraph (a), (b), or (c) of this paragraph.
- 24 (e) For subparagraphs (a) through (d) of this paragraph, not 25 more than \$40,000,000 of credits shall be awarded to any qualified 26 residential project in a deep poverty pocket or distressed municipality and not more than \$20,000,000 of credits shall be 27 28 awarded to any other qualified residential project. The developer of 29 a qualified residential project seeking an award of credits towards 30 the funding of its incentive grant shall submit an incentive grant 31 application prior to July 1, 2016 and if approved after the effective 32 date of P.L.2013, c.161 (C.52:27D-489p et al.) shall submit a 33 temporary certificate of occupancy for [such] the project no later 34 than July 28, [2018] 2019. Applications for tax credits pursuant to 35 this subsection relating to an ancillary infrastructure project or infrastructure improvement in the public [right of way] right-of-36 37 way, or both, shall be accompanied with a letter of support relating 38 to the project or improvement by the governing body or agency in 39 which the project is located. Credits awarded to a developer 40 pursuant to this subsection shall be subject to the same financial and 41 related analysis by the authority, the same term of the grant, and the 42 same mechanism for administering the credits, and shall be utilized or transferred by the developer as if [such] the credits had been 43 44 awarded to the developer pursuant to section 35 of P.L.2009, c.90 45 (C.34:1B-209.3) for qualified residential projects thereunder. No 46 portion of the revenues pledged pursuant to the "New Jersey 47 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-48 489p et al.) shall be subject to withholding or retainage for

adjustment, in the event the developer or taxpayer waives its rights to claim a refund thereof.

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- 3 (4) A developer may apply to the Director of the Division of Taxation in the Department of the Treasury and the chief executive 4 5 officer of the authority for a tax credit transfer certificate, if the 6 developer is awarded a tax credit pursuant to paragraph (2) or 7 paragraph (3) of this subsection, covering one or more years, in lieu 8 of the developer being allowed any amount of the credit against the 9 tax liability of the developer. The tax credit transfer certificate, 10 upon receipt thereof by the developer from the director and the 11 chief executive officer of the authority, may be sold or assigned, in 12 full or in part, to any other person [that] who may have a tax 13 liability pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), 14 sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), 15 section 1 of P.L.1950, c.231 (C.17:32-15), or N.J.S.17B:23-5. The certificate provided to the developer shall include a statement 16 17 waiving the developer's right to claim that amount of the credit 18 against the taxes that the developer has elected to sell or assign. 19 The sale or assignment of any amount of a tax credit transfer 20 certificate allowed under this paragraph shall not be exchanged for 21 consideration received by the developer of less than 75 percent of 22 the transferred credit amount before considering any further 23 discounting to present value that may be permitted. Any amount of 24 a tax credit transfer certificate used by a purchaser or assignee 25 against a tax liability shall be subject to the same limitations and 26 conditions that apply to the use of the credit by the developer who 27 originally applied for and was allowed the credit.
  - c. All administrative costs associated with the incentive grant shall be assessed to the applicant and be retained by the State Treasurer from the annual incentive grant payments.
  - d. The incremental revenue for the revenues listed in subsection a. of this section shall be calculated as the difference between the amount collected in any fiscal year from any eligible revenue source included in the State redevelopment incentive grant agreement, less the revenue increment base for that eligible revenue.
  - e. The municipality is authorized to collect any [and all] information necessary to facilitate grants under this program and remit that information [, as may be required from time to time,] in order to assist in the calculation of incremental revenue.<sup>2</sup>
- 41 (cf: P.L.2015, c.69, s.2)

43 **2**4. Section 6 of P.L.2011, c.149 (C.34:1B-247) is amended to read as follows:

6. a. (1) The combined value of all credits approved by the authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) and P.L.2011, c.149 (C.34:1B-242 et al.) prior to December 31, 2013 shall not exceed \$1,750,000,000, except as may be increased by the

- 1 authority as set forth in paragraph (5) of subsection a. of section 35
- 2 of P.L.2009, c.90 (C.34:1B-209.3). Following the enactment of the
- 3 "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
- 4 (C.52:27D-489p et al.), there shall be no monetary cap on the value
- 5 of credits approved by the authority attributable to the program
- 6 pursuant to the "New Jersey Economic Opportunity Act of 2013,"
- 7 P.L.2013, c.161 (C.52:27D-489p et al.).

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- 8 (2) (Deleted by amendment, P.L.2013, c.161).
- 9 (3) (Deleted by amendment, P.L.2013, c.161).
- 10 (4) (Deleted by amendment, P.L.2013, c.161).
- 11 (5) (Deleted by amendment, P.L.2013, c.161).
- b. (1) A business shall submit an application for tax credits prior to July 1, 2019. The authority shall not approve an application for tax credits unless the application was submitted prior to July 1, 2019.
  - (2) (a) A business shall submit its documentation indicating that it has met the capital investment and employment requirements specified in the incentive agreement for certification of its tax credit amount within three years following the date of approval of its application by the authority. The authority shall have the discretion to grant two six-month extensions of this deadline. [In] Except as provided in subparagraph (b) of this paragraph, in no event shall the incentive effective date occur later than four years following the date of approval of an application by the authority.
  - (b) As of the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill), a business which applied for the tax credit prior to July 1, 2014 under P.L.2011, c.149 (C.34:1B-242 et al.), shall submit its documentation to the authority no later than July 28, 2018, indicating that it has met the capital investment and employment requirements specified in the incentive agreement for certification of its tax credit amount.
  - (3) Full-time employment for an accounting or privilege period shall be determined as the average of the monthly full-time employment for the period.
  - (4) A business seeking a credit for a mega project shall apply for the credit within four years after the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
  - c. (1) In conducting its annual review, the authority may require a business to submit any information determined by the authority to be necessary and relevant to its review.
  - The credit amount for any tax period for which the documentation of a [business'] business's credit amount remains uncertified as of a date three years after the closing date of that period shall be forfeited, although credit amounts for the remainder of the years of the eligibility period shall remain available to it.
- The credit amount may be taken by the tax certificate holder for the tax period for which it was issued or may be carried forward for use by the tax certificate holder in any of the next 20 successive tax

periods, and shall expire thereafter. The tax certificate holder may transfer the tax credit amount on or after the date of issuance or at any time within three years of the date of issuance for use by the transferee in the tax period during which it was transferred or in any of the next three successive tax periods. Notwithstanding the foregoing, no more than the amount of tax credits equal to the total credit amount divided by the duration of the eligibility period in years may be taken in any tax period.

- (2) Credits granted to a partnership shall be passed through to the partners, members, or owners, respectively, pro-rata or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method provided to the Director of the Division of Taxation in the Department of the Treasury accompanied by any additional information as the director may require.
- (3) The amount of credit allowed may be applied against the tax liability otherwise due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and <u>C.</u>54:18A-3), pursuant to section 1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.
- d. (1) If, in any tax period, the business reduces the total number of full-time employees in its Statewide workforce by more than 20 percent from the number of full-time employees in its Statewide workforce in the last tax period prior to the credit amount approval under section 3 of P.L.2011, c.149 (C.34:1B-244), then the business shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the [business'] business's Statewide workforce to the threshold levels required by this paragraph has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.
- (2) If, in any tax period, the number of full-time employees employed by the business at the qualified business facility located within a qualified incentive area drops below 80 percent of the number of new and retained full-time jobs specified in the incentive agreement, then the business shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the number of full-time employees employed by the business at the qualified business facility to 80 percent of the number of jobs specified in the incentive agreement.
- (3) (a) If the qualified business facility is sold by the owner in whole or in part during the eligibility period, the new owner shall not acquire the capital investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods, provided however that any credits of the business shall remain unaffected.

(b) In connection with a regional distribution facility of foodstuffs, the business entity or entities which own or lease [such] the facility shall qualify as a business regardless of: (i) the type of the business entity or entities which own or lease [such] the facility; (ii) the ownership or leasing of [such] the facility by more than one business entity; or (iii) the ownership of the business entity or entities which own or lease [such] the facility. [Such] The ownership or leasing, whether by members, shareholders, partners, or other owners of the business entity or entities, shall be treated as ownership or leasing by affiliates. [Such] The members, shareholders, partners, or other ownership or leasing participants and others that are tenants in the facility shall be treated as affiliates for the purpose of counting the full-time employees and capital investments in the facility. The business entity or entities may distribute credits to members, shareholders, partners, or other ownership or leasing participants in accordance with their respective interests. If the business entity or entities or their members, shareholders, partners, or other ownership or leasing participants lease space in the facility to members, shareholders, partners, or other ownership or leasing participants or others as tenants in the facility, the leases shall be treated as a lease to an affiliate, and the business entity or entities shall not be subject to forfeiture of the credits. For the purposes of this section, leasing shall include subleasing and tenants shall include subtenants.

(4) (a) For a project located within a Garden State Growth Zone, if, in any tax period, the number of full-time employees employed by the business at the qualified business facility located within a qualified incentive area increases above the number of full-time employees specified in the incentive agreement, then the business shall be entitled to an increased base credit amount for that tax period and each subsequent tax period, for each additional full-time employee added above the number of full-time employees specified in the incentive agreement, until the first tax period for which documentation demonstrating a reduction of the number of full-time employees employed by the business at the qualified business facility, at which time the tax credit amount will be adjusted accordingly pursuant to this section.

(b) For a project located within a Garden State Growth Zone which qualifies under the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or which contains a Tourism District as established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the Casino Reinvestment Development Authority, and which qualifies for a tax credit pursuant to subsubparagraph (ii) of subparagraphs (a) through (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), if, in any tax period the number of full-time employees employed by the business at the qualified business facility located within a qualified incentive area increases above the

number of full-time employees specified in the incentive agreement such that the business shall then meet the minimum number of employees required in subparagraph (b), (c), (d), or (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), then the authority shall recalculate the total tax credit amount per full-time job by using the certified capital investment of the project allowable under the applicable subsubparagraph and the number of full-time jobs certified on the date of the recalculation and applying those numbers to subparagraph (b), (c), (d), or (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), until the first tax period for which documentation demonstrating a reduction of the number of full-time employees employed by the business at the qualified business facility, at which time the tax credit amount shall be adjusted accordingly pursuant to this section.

- e. The authority shall not enter into an incentive agreement with a business that has previously received incentives pursuant to the "Business Retention and Relocation Assistance Act," P.L.1996, c.25 (C.34:1B-112 et seq.), the "Business Employment Incentive Program Act," P.L.1996, c.26 (C.34:1B-124 et seq.), or any other program administered by the authority unless:
- (1) the business has satisfied all of its obligations underlying the previous award of incentives or is compliant with section 4 of P.L.2011, c.149 (C.34:1B-245); or
- (2) the capital investment incurred and new or retained full-time jobs pledged by the business in the new incentive agreement are separate and apart from any capital investment or jobs underlying the previous award of incentives.
- f. A business which has already applied for a tax credit incentive award prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), but who has not yet been approved for [such] the tax credits, or has not executed an agreement with the authority, may proceed under that application or seek to amend [such] the application or reapply for a tax credit incentive award for the same project or any part thereof for the purpose of availing itself of any more favorable provisions of the program.<sup>2</sup>

(cf: P.L.2014, c.63, s.5)

<sup>2</sup>[3.] 5.<sup>2</sup> This act shall take effect immediately.

Delays certain documentation submission deadlines under certain business tax credit programs.

## **SENATE, No. 3182**

# STATE OF NEW JERSEY

## 216th LEGISLATURE

INTRODUCED OCTOBER 19, 2015

Sponsored by: Senator M. TERESA RUIZ District 29 (Essex) Senator NELLIE POU District 35 (Bergen and Passaic)

#### **SYNOPSIS**

Delays by one year certain documentation submission deadlines under Urban Transit Hub Tax Credit Program.

#### **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 11/10/2015)

**AN ACT** concerning certain documentation submission under the 2 Urban Transit Hub Tax Credit Program and amending P.L.2007, 3 c.346 and P.L.2009, c.90.

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

- 1. Section 3 of P.L.2007, c.346 (C.34:1B-209) is amended to read as follows:
- 3. a. (1) A business, upon application to and approval from the authority, shall be allowed a credit of 100 percent of its capital investment, made after the effective date of P.L.2007, c.346 (C.34:1B-207 et seq.) but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified business facility within an eligible municipality, pursuant to the restrictions and requirements of this section. To be eligible for any tax credits authorized under this section, a business shall demonstrate to the authority, at the time of application, that the State's financial support of the proposed capital investment in a qualified business facility will yield a net positive benefit to both the State and the eligible municipality. The value of all credits approved by the authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) shall not exceed \$1,750,000,000, except as may be increased by the authority as set forth in paragraph (5) of subsection a. of P.L.2009, c.90 (C.34:1B-209.3) and section 6 of P.L.2010, c.57 (C.34:1B-209.4).
  - (2) A business, other than a tenant eligible pursuant to paragraph (3) of this subsection, shall make or acquire capital investments totaling not less than \$50,000,000 in a qualified business facility, at which the business shall employ not fewer than 250 full-time employees to be eligible for a credit under this section. A business that acquires a qualified business facility shall also be deemed to have acquired the capital investment made or acquired by the seller.
  - (3) A business that is a tenant in a qualified business facility, the owner of which has made or acquired capital investments in the facility totaling not less than \$50,000,000, shall occupy a leased area of the qualified business facility that represents at least \$17,500,000 of the capital investment in the facility at which the tenant business and up to two other tenants in the qualified business facility shall employ not fewer than 250 full-time employees in the aggregate to be eligible for a credit under this section. The amount of capital investment in a facility that a leased area represents shall be equal to that percentage of the owner's total capital investment in the facility that the percentage of net leasable area leased by the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

tenant is of the total net leasable area of the qualified business facility. Capital investments made by a tenant shall be deemed to be included in the calculation of the capital investment made or acquired by the owner, but only to the extent necessary to meet the owner's minimum capital investment of \$50,000,000. investments made by a tenant and not allocated to meet the owner's minimum capital investment threshold of \$50,000,000 shall be added to the amount of capital investment represented by the tenant's leased area in the qualified business facility.

- (4) A business shall not be allowed tax credits under this section if the business participates in a business employment incentive **[**grant**]** agreement, pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.), relating to the same capital and employees that qualify the business for this credit, or if the business receives assistance pursuant to P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is allowed a tax credit under this section shall not be eligible for incentives authorized pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.). A business shall not qualify for a tax credit under this section, based upon its capital investment and the employment of full-time employees, if that capital investment or employment was the basis for which a grant was provided to the business pursuant to the "InvestNJ Business Grant Program Act," P.L.2008, c.112 (C.34:1B-237 et seq.).
- (5) Full-time employment for an accounting or  $\underline{a}$  privilege period shall be determined as the average of the monthly full-time employment for the period.
- (6) The capital investment of the owner of a qualified business facility is that percentage of the capital investment made or acquired by the owner of the building that the percentage of net leasable area of the qualified business facility not leased to tenants is of the total net leasable area of the qualified business facility.
- (7) A business shall be allowed a tax credit of 100 percent of its capital investment, made after the effective date of P.L.2011, c.89 but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified business facility that is part of a mixed use project, provided that (a) the qualified business facility represents at least \$17,500,000 of the total capital investment in the mixed use project, (b) the business employs not fewer than 250 fulltime employees in the qualified business facility, and (c) the total capital investment in the mixed use project of which the qualified business facility is a part is not less than \$50,000,000. allowance of credits under this paragraph shall be subject to the restrictions and requirements, to the extent that those are not inconsistent with the provisions of this paragraph, set forth in paragraphs (1) through (6) of this subsection, including, but not limited to, the requirement that the business shall demonstrate to the authority, at the time of application, that the State's financial support of the proposed capital investment in a qualified business

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facility will yield a net positive benefit to both the State and the eligible municipality.

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(8) In determining whether a proposed capital investment will yield a net positive benefit, the authority shall not consider the transfer of an existing job from one location in the State to another location in the State as the creation of a new job, unless (a) the business proposes to transfer existing jobs to a municipality in the State as part of a consolidation of business operations from two or more other locations that are not in the same municipality whether in-State or out-of-State, or (b) the business's chief executive officer, or equivalent officer, submits a certification to the authority indicating that the existing jobs are at risk of leaving the State and that the business's chief executive officer, or equivalent officer, has reviewed the information submitted to the authority and that the representations contained therein are accurate, and the business intends to employ not fewer than 500 full-time employees in the qualified business facility. In the event that this certification by the business's chief executive officer, or equivalent officer, is found to be willfully false, the authority may revoke any award of tax credits in their entirety, which revocation shall be in addition to any other criminal or civil penalties that the business and the officer may be subject to. When considering an application involving intra-State job transfers, the authority shall require the company to submit the following information as part of its application: a full economic analysis of all locations under consideration by the company; all lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations; and all lease agreements, ownership documents, or substantially similar documentation for the potential out-of-State location alternatives, to the extent they exist. Based on this information, and any other information deemed relevant by the authority, the authority shall independently verify and confirm, by way of making a factual finding by separate vote of the authority's board, the business's assertion that the jobs are actually at risk of leaving the State, before a business may be awarded any tax credits under this section.

- b. (1) If applications under this section have been received by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), then, to the extent that there remains sufficient financial authorization for the award of a tax credit, the authority is authorized to consider those applications and to make awards of tax credits to eligible applicants, provided that the authority shall take final action on those applications no later than December 31, 2013.
- (2) A business shall apply for the credit under this section prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), and shall submit its documentation for approval of its credit amount no later than April 26, 2017, except as provided in paragraph (1) of subsection b.
- 49 <u>of section 35 of P.L.2009</u>, c.90 (C.34:1B-209.3).

- (3) If a business has submitted an application under this section and that application has not been approved for any reason, the lack of approval shall not serve to prejudice in any way the consideration of a new application as may be submitted for the qualified business facility for the provision of incentives offered pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
- (4) Tax credits awarded pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) for applications submitted to and approved by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), shall be administered by the authority in the manner established prior to that date.
- (5) With respect to an application received by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) for a qualified business facility that is located on or adjacent to the campus of an acute care medical facility, (a) the minimum number of full-time employees required for eligibility under the program may be employed by any number of tenants or other occupants of the facility, in the aggregate, and the initial satisfaction of such requirement following completion of the project shall be deemed to satisfy the employment requirements of the program in all respects, and (b) if the capital investment in the facility exceeds \$100,000,000, the determination of the net positive benefit yield shall be based on the benefits generated during a period of up to 30 years following the completion of the project, as determined by the authority.
- c. (1) The amount of credit allowed shall, except as otherwise provided, be equal to the capital investment made by the business, or the capital investment represented by the [business'] business's leased area, or area owned by the business as a condominium, and shall be taken over a 10-year period, at the rate of one-tenth of the total amount of the [business'] business's credit for each tax accounting or privilege period of the business, beginning with the tax period in which the business is first certified by the authority as having met the investment capital and employment qualifications, subject to any reduction or disqualification as provided by subsection d. of this section as determined by annual review by the authority. In conducting its annual review, the authority may require a business to submit any information determined by the authority to be necessary and relevant to its review.

The credit amount for any tax period ending after July 28, [2017] 2018 during which the documentation of a [business'] business's credit amount remains uncertified shall be forfeited, although credit amounts for the remainder of the years of the 10-year credit period shall remain available to it.

The credit amount that may be taken for a tax period of the business that exceeds the final liabilities of the business for the tax period may be carried forward for use by the business in the next 20 successive tax periods, and shall expire thereafter, provided that the value of all credits approved by the authority against tax liabilities pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) in any fiscal year shall not exceed \$260,000,000.

The amount of credit allowed for a tax period to a business that is a tenant in a qualified business facility shall not exceed the [business'] business's total lease payments for occupancy of the qualified business facility for the tax period.

- (2) A business that is a partnership shall not be allowed a credit under this section directly, but the amount of credit of an owner of a business shall be determined by allocating to each owner of the partnership that proportion of the credit of the business that is equal to the owner of the partnership's share, whether or not distributed, of the total distributive income or gain of the partnership for its tax period ending within or with the owner's tax period, or that proportion that is allocated by an agreement, if any, among the owners of the partnership that has been provided to the Director of the Division of Taxation in the Department of the Treasury by [such] the time and accompanied by [such] the additional information as the director may require.
- (3) The amount of credit allowed may be applied against the tax liability otherwise due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), pursuant to section 1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.
- d. (1) If, in any tax period, fewer than 200 full-time employees of the business at the qualified business facility are employed in new full-time positions, the amount of the credit otherwise determined pursuant to final calculation of the award of tax credits pursuant to subsection c. of this section shall be reduced by 20 percent for that tax period and each subsequent tax period until the first period for which documentation demonstrating the restoration of the 200 full-time employees employed in new full-time positions at the qualified business facility has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed; provided, however, that for businesses applying before January 1, 2010, there shall be no reduction if a business relocates to an urban transit hub from another location or other locations in the same municipality. For the purposes of this paragraph, a "new full-time position" means a position created by the business at the qualified business facility that did not previously exist in this State.
- (2) If, in any tax period, the business reduces the total number of full-time employees in its Statewide workforce by more than 20 percent from the number of full-time employees in its Statewide workforce in the last tax accounting or privilege period prior to the credit amount approval under subsection a. of this section, then the business shall forfeit its credit amount for that tax period and each

subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the [business'] business's Statewide workforce to the threshold levels required by this paragraph has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.

- (3) If, in any tax period, (a) the number of full-time employees employed by the business at the qualified business facility located in an urban transit hub within an eligible municipality drops below 250, or (b) the number of full-time employees, who are not the subject of intra-State job transfers, pursuant to paragraph (8) of subsection a. of this section, employed by the business at any other business facility in the State, whether or not located in an urban transit hub within an eligible municipality, drops by more than 20 percent from the number of full-time employees in its workforce in the last tax accounting or privilege period prior to the credit amount approval under this section, then the business shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the number of full-time employees employed by the business at the qualified business facility to 250 or an increase above the 20 percent reduction has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.
- (4) (i) If the qualified business facility is sold in whole or in part during the 10-year eligibility period, the new owner shall not acquire the capital investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods **[,]**; provided, however, that any credits of tenants shall remain unaffected.
- (ii) If a tenant subleases its tenancy in whole or in part during the 10-year eligibility period, the new tenant shall not acquire the credit of the sublessor, and the sublessor tenant shall forfeit all credits for the tax period of its sublease and all subsequent tax periods.
- e. (1) The Executive Director of the New Jersey Economic Development Authority, in consultation with the Director of the Division of Taxation in the Department of the Treasury, shall adopt rules in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement I this act I P.L.2007, c.346 (C.34:1B-207 et seq.), including, but not limited to: examples of and the determination of capital investment; the enumeration of eligible municipalities; specific delineation of urban transit hubs; the determination of the limits, if any, on the expense or type of furnishings that may constitute capital improvements; the promulgation of procedures and forms necessary to apply for a credit, including the enumeration of the certification procedures and allocation of tax credits for different phases of a qualified business facility or mixed use project; and provisions for credit applicants to be charged an initial application fee, and

1 ongoing service fees, to cover the administrative costs related to the 2

(2) Through regulation, the **[**Economic Development Authority**]** authority shall establish standards based on the green building manual prepared by the Commissioner of Community Affairs, pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction.

(cf: P.L.2013, c.161, s.4)

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Section 35 of P.L.2009, c.90 (C.34:1B-209.3) is amended to read as follows:

14 35. a. (1) A developer, upon application to and approval from 15 the authority, shall be allowed a credit of up to 35 percent of its 16 capital investment, or up to 40 percent for a project located in a 17 Garden State Growth Zone, made after the effective date of 18 P.L.2009, c.90 (C.52:27D-489a et al.) but prior to its submission of 19 documentation pursuant to subsection c. of this section, in a 20 qualified residential project, pursuant to the restrictions and 21 requirements of this section. To be eligible for any tax credits 22 authorized under this section, a developer shall demonstrate to the 23 authority, through a project pro forma analysis at the time of 24 application, that the qualified residential project is likely to be 25 realized with the provision of tax credits at the level requested, but 26 is not likely to be accomplished by private enterprise without the tax credits. The value of all credits approved by the authority 28 pursuant to this section for qualified residential projects may be up to \$150,000,000, except as may be increased by the authority as set 30 forth below and as set forth in paragraph (5) of this subsection; provided [,]; however, that the combined value of all credits 32 approved by the authority pursuant to section 3 of P.L.2007, c.346 33 (C.34:1B-207) and this section shall not exceed \$1,750,000,000, 34 except as may be increased by the authority as set forth in 35 paragraph (5) of this subsection. The authority shall monitor 36 application and allocation activity under P.L.2007, c.346 (C.34:1B-37 207 et seq.), and if sufficient credits are available after taking into account allocation under P.L.2007, c.346 (C.34:1B-207 et seq.) to 38 those qualified business facilities for which applications have been 40 filed or for which applications are reasonably anticipated, and if the executive director judges certain qualified residential projects to be 42 meritorious, the aforementioned \$150,000,000 cap may, in the discretion of the executive director, from time to time, be exceeded 44 for allocation to qualified residential projects in [such] amounts as 45 the executive director deems reasonable, justified, and appropriate. 46 In allocating all credits to qualified residential projects under this section, the executive director shall take into account, together with 48 other factors deemed relevant by the executive director: input from

the municipality in which the project is to be located **[,]**; whether the project contributes to the recovery of areas affected by Hurricane Sandy **[,]**; whether the project furthers specific State or municipal planning and development objectives, or both **[,]**; and whether the project furthers a public purpose, such as catalyzing urban development or maximizing the value of vacant, dilapidated, outmoded, government-owned, or underutilized property, or both.

- (2) A developer shall make or acquire capital investments totaling not less than \$50,000,000 in a qualified residential project to be eligible for a credit under this section. A developer that acquires a qualified residential project shall also be deemed to have acquired the capital investment made or acquired by the seller.
- (3) The capital investment requirement may be met by the developer or by one or more of its affiliates.
- (4) A developer of a mixed use project shall be allowed a credit pursuant to subparagraph (a) or (b) of this paragraph, but not both.
- (a) A developer shall be allowed a credit in accordance with this section for a qualified residential project that includes a mixed use project.
- (b) A developer shall be allowed a credit of up to 35 percent of its capital investment, or up to 40 percent for a project located in a Garden State Growth Zone, made after the effective date of P.L.2011, c.89, but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified residential project that is part of a mixed use project, provided that:
- **[**(a)**]** (i) the capital investment in the qualified residential project represents at least \$17,500,000 of the total capital investment in the mixed use project; and
- **[**(b)**]** (ii) the total capital investment in the mixed use project of which the qualified residential project is a part is not less than \$50,000,000.

The allowance of credits under this paragraph shall be subject to the restrictions and requirements, to the extent that those are not inconsistent with the provisions of this paragraph, set forth in paragraphs (1) through (3) of this subsection, including, but not limited to, the requirement prescribed in paragraph (1) of this subsection that the developer shall demonstrate to the authority, through a project pro forma analysis at the time of application, that the qualified residential project is likely to be realized with the provision of tax credits at the level requested but is not likely to be accomplished by private enterprise without the tax credits.

As used in this subparagraph:

- "Mixed use project" means a project comprising both a qualified residential project and a qualified business facility.
- (5) The authority may approve and allocate credits for qualified residential projects in a value sufficient to meet the requirements of all applications that were received by the authority between October 24, 2012 and December 21, 2012, without regard to the terms of

#### S3182 RUIZ, POU

- any competitive solicitation, except for the \$33,000,000 per project cap, and without need for reapplication by any applicant. The authority shall take final action on those applications prior to the 120th day after the date of enactment of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
  - b. (1) A developer shall apply for the credit under this section on or prior to December 21, 2012 but may thereafter supplement an application as may be requested by the authority. A developer shall submit its documentation for approval of its credit amount no later than April 26, [2017] 2018.
  - (2) If a developer has submitted an application under this section and the application has not been approved for any reason, the lack of approval shall not serve to prejudice in any way the consideration of a new application as may be submitted for the project for the provision of incentives offered pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
  - c. The credit shall be administered in accordance with the provisions of subsections c. and e. of section 3 of P.L.2007, c.346 (C.34:1B-209), as amended by section 32 of P.L.2009, c.90, and section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that:
  - (1) all references therein to "business" and "qualified business facility" shall be deemed to refer respectively to "developer" and "qualified residential project," as **[**such**]** those terms are defined in section 34 of P.L.2009, c.90 (C.34:1B-209.2); and
  - (2) all references therein to credits claimed by tenants and to reductions or disqualifications in credits as determined by annual review of the authority shall be disregarded.
  - [Provided however, for] For purposes of a "mixed use project" as that term is used and defined pursuant to subparagraph (b) of paragraph (4) of subsection a. of this section, "qualified business facility" means that term as defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).
- 34 (cf: P.L.2013, c.161, s.6)

3. This act shall take effect immediately.

#### **STATEMENT**

This bill extends, from April 26, 2017 to April 26, 2018, the deadline for the developer of qualified residential project to submit its documentation of its credit amount under the Urban Transit Hub Tax Credit Program for approval by the New Jersey Economic Development Authority. The bill also extends, from July 28, 2017 to July 28, 2018, the deadline for a developer to submit information on the credit amount certified for any tax period, the failure of which subjects the amount to being forfeited.

#### SENATE ECONOMIC GROWTH COMMITTEE

#### STATEMENT TO

**SENATE, No. 3182** 

with committee amendments

## STATE OF NEW JERSEY

DATED: NOVEMBER 16, 2015

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 3182.

As amended and reported, this bill extends, from April 26, 2017 to April 26, 2018, the deadline for the developer of a qualified residential project or qualified business facility to submit its documentation of its credit amount under the Urban Transit Hub Tax Credit Program for approval by the New Jersey Economic Development Authority. The bill also extends, from July 28, 2017 to July 28, 2018, the deadline for a developer to submit information on the credit amount certified for any tax period, the failure of which subjects the amount to forfeiture.

The committee amended the bill to also extend the documentation deadline to a developer of a qualified business facility.

#### STATEMENT TO

# [First Reprint] **SENATE, No. 3182**

with Senate Floor Amendments (Proposed by Senator RUIZ)

ADOPTED: DECEMBER 17, 2015

These amendments extend for two years the deadline for the developer of a qualified residential project or qualified business facility to submit its documentation of its credit amount under the Urban Transit Hub Tax Credit Program for approval by the New Jersey Economic Development Authority (EDA). The amendments also extend for two years the deadline for a developer to submit information on the credit amount certified for any tax period, the failure of which subjects the amount to forfeiture. The amendments extend for one year the deadline for the developer of a qualified residential project to submit its documentation of receiving a temporary certificate of occupancy to the EDA to qualify to receive tax credits under the Economic Redevelopment and Growth Grant program. Further, the amendments extend until July 28, 2018, the deadline for a business, which applied for a credit under the Grow New Jersey Assistance Program prior to July 1, 2014 under the original law establishing that program, to submit its documentation indicating that it has met the capital investment and employment requirements under that program.

## ASSEMBLY, No. 4690

# STATE OF NEW JERSEY

### 216th LEGISLATURE

INTRODUCED NOVEMBER 16, 2015

**Sponsored by:** 

Assemblywoman ELIANA PINTOR MARIN District 29 (Essex) Assemblywoman L. GRACE SPENCER District 29 (Essex) Assemblywoman SHAVONDA E. SUMTER District 35 (Bergen and Passaic)

#### **SYNOPSIS**

Delays by one year certain documentation submission deadlines under Urban Transit Hub Tax Credit Program.

#### **CURRENT VERSION OF TEXT**

As introduced.



**AN ACT** concerning certain documentation submission under the Urban Transit Hub Tax Credit Program and amending P.L.2007, c.346 and P.L.2009, c.90.

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

- 1. Section 3 of P.L.2007, c.346 (C.34:1B-209) is amended to read as follows:
- 3. a. (1) A business, upon application to and approval from the authority, shall be allowed a credit of 100 percent of its capital investment, made after the effective date of P.L.2007, c.346 (C.34:1B-207 et seq.) but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified business facility within an eligible municipality, pursuant to the restrictions and requirements of this section. To be eligible for any tax credits authorized under this section, a business shall demonstrate to the authority, at the time of application, that the State's financial support of the proposed capital investment in a qualified business facility will yield a net positive benefit to both the State and the eligible municipality. The value of all credits approved by the authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) shall not exceed \$1,750,000,000, except as may be increased by the authority as set forth in paragraph (5) of subsection a. of P.L.2009, c.90 (C.34:1B-209.3) and section 6 of P.L.2010, c.57 (C.34:1B-209.4).
  - (2) A business, other than a tenant eligible pursuant to paragraph (3) of this subsection, shall make or acquire capital investments totaling not less than \$50,000,000 in a qualified business facility, at which the business shall employ not fewer than 250 full-time employees to be eligible for a credit under this section. A business that acquires a qualified business facility shall also be deemed to have acquired the capital investment made or acquired by the seller.
  - (3) A business that is a tenant in a qualified business facility, the owner of which has made or acquired capital investments in the facility totaling not less than \$50,000,000, shall occupy a leased area of the qualified business facility that represents at least \$17,500,000 of the capital investment in the facility at which the tenant business and up to two other tenants in the qualified business facility shall employ not fewer than 250 full-time employees in the aggregate to be eligible for a credit under this section. The amount of capital investment in a facility that a leased area represents shall be equal to that percentage of the owner's total capital investment in the facility that the percentage of net leasable area leased by the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

tenant is of the total net leasable area of the qualified business facility. Capital investments made by a tenant shall be deemed to be included in the calculation of the capital investment made or acquired by the owner, but only to the extent necessary to meet the owner's minimum capital investment of \$50,000,000. investments made by a tenant and not allocated to meet the owner's minimum capital investment threshold of \$50,000,000 shall be added to the amount of capital investment represented by the tenant's leased area in the qualified business facility.

- (4) A business shall not be allowed tax credits under this section if the business participates in a business employment incentive **[**grant**]** agreement, pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.), relating to the same capital and employees that qualify the business for this credit, or if the business receives assistance pursuant to P.L.1996, c.25 (C.34:1B-112 et seq.). A business that is allowed a tax credit under this section shall not be eligible for incentives authorized pursuant to P.L.2002, c.43 (C.52:27BBB-1 et al.). A business shall not qualify for a tax credit under this section, based upon its capital investment and the employment of full-time employees, if that capital investment or employment was the basis for which a grant was provided to the business pursuant to the "InvestNJ Business Grant Program Act," P.L.2008, c.112 (C.34:1B-237 et seq.).
- (5) Full-time employment for an accounting or  $\underline{a}$  privilege period shall be determined as the average of the monthly full-time employment for the period.
- (6) The capital investment of the owner of a qualified business facility is that percentage of the capital investment made or acquired by the owner of the building that the percentage of net leasable area of the qualified business facility not leased to tenants is of the total net leasable area of the qualified business facility.
- (7) A business shall be allowed a tax credit of 100 percent of its capital investment, made after the effective date of P.L.2011, c.89 but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified business facility that is part of a mixed use project, provided that (a) the qualified business facility represents at least \$17,500,000 of the total capital investment in the mixed use project, (b) the business employs not fewer than 250 full-time employees in the qualified business facility, and (c) the total capital investment in the mixed use project of which the qualified business facility is a part is not less than \$50,000,000. The allowance of credits under this paragraph shall be subject to the restrictions and requirements, to the extent that those are not inconsistent with the provisions of this paragraph, set forth in paragraphs (1) through (6) of this subsection, including, but not limited to, the requirement that the business shall demonstrate to the authority, at the time of application, that the State's financial support of the proposed capital investment in a qualified business

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facility will yield a net positive benefit to both the State and the eligible municipality.

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(8) In determining whether a proposed capital investment will yield a net positive benefit, the authority shall not consider the transfer of an existing job from one location in the State to another location in the State as the creation of a new job, unless (a) the business proposes to transfer existing jobs to a municipality in the State as part of a consolidation of business operations from two or more other locations that are not in the same municipality whether in-State or out-of-State, or (b) the business's chief executive officer, or equivalent officer, submits a certification to the authority indicating that the existing jobs are at risk of leaving the State and that the business's chief executive officer, or equivalent officer, has reviewed the information submitted to the authority and that the representations contained therein are accurate, and the business intends to employ not fewer than 500 full-time employees in the qualified business facility. In the event that this certification by the business's chief executive officer, or equivalent officer, is found to be willfully false, the authority may revoke any award of tax credits in their entirety, which revocation shall be in addition to any other criminal or civil penalties that the business and the officer may be subject to. When considering an application involving intra-State job transfers, the authority shall require the company to submit the following information as part of its application: a full economic analysis of all locations under consideration by the company; all lease agreements, ownership documents, or substantially similar documentation for the business's current in-State locations; and all lease agreements, ownership documents, or substantially similar documentation for the potential out-of-State location alternatives, to the extent they exist. Based on this information, and any other information deemed relevant by the authority, the authority shall independently verify and confirm, by way of making a factual finding by separate vote of the authority's board, the business's assertion that the jobs are actually at risk of leaving the State, before a business may be awarded any tax credits under this section.

- b. (1) If applications under this section have been received by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), then, to the extent that there remains sufficient financial authorization for the award of a tax credit, the authority is authorized to consider those applications and to make awards of tax credits to eligible applicants, provided that the authority shall take final action on those applications no later than December 31, 2013.
- (2) A business shall apply for the credit under this section prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), and shall submit its documentation for approval of its credit amount no later than April 26, 2017, except as provided in paragraph (1) of subsection b. of section 35 of P.L.2009, c.90 (C.34:1B-209.3).

(3) If a business has submitted an application under this section and that application has not been approved for any reason, the lack of approval shall not serve to prejudice in any way the consideration of a new application as may be submitted for the qualified business facility for the provision of incentives offered pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

- (4) Tax credits awarded pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) for applications submitted to and approved by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), shall be administered by the authority in the manner established prior to that date.
- (5) With respect to an application received by the authority prior to the effective date of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.) for a qualified business facility that is located on or adjacent to the campus of an acute care medical facility, (a) the minimum number of full-time employees required for eligibility under the program may be employed by any number of tenants or other occupants of the facility, in the aggregate, and the initial satisfaction of such requirement following completion of the project shall be deemed to satisfy the employment requirements of the program in all respects, and (b) if the capital investment in the facility exceeds \$100,000,000, the determination of the net positive benefit yield shall be based on the benefits generated during a period of up to 30 years following the completion of the project, as determined by the authority.
- c. (1) The amount of credit allowed shall, except as otherwise provided, be equal to the capital investment made by the business, or the capital investment represented by the [business'] business's leased area, or area owned by the business as a condominium, and shall be taken over a 10-year period, at the rate of one-tenth of the total amount of the [business'] business's credit for each tax accounting or privilege period of the business, beginning with the tax period in which the business is first certified by the authority as having met the investment capital and employment qualifications, subject to any reduction or disqualification as provided by subsection d. of this section as determined by annual review by the authority. In conducting its annual review, the authority may require a business to submit any information determined by the authority to be necessary and relevant to its review.

The credit amount for any tax period ending after July 28, [2017] 2018 during which the documentation of a [business'] business's credit amount remains uncertified shall be forfeited, although credit amounts for the remainder of the years of the 10-year credit period shall remain available to it.

The credit amount that may be taken for a tax period of the business that exceeds the final liabilities of the business for the tax period may be carried forward for use by the business in the next 20 successive tax periods, and shall expire thereafter, provided that the value of all credits approved by the authority against tax liabilities pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) in any fiscal year shall not exceed \$260,000,000.

The amount of credit allowed for a tax period to a business that is a tenant in a qualified business facility shall not exceed the [business'] business's total lease payments for occupancy of the qualified business facility for the tax period.

- (2) A business that is a partnership shall not be allowed a credit under this section directly, but the amount of credit of an owner of a business shall be determined by allocating to each owner of the partnership that proportion of the credit of the business that is equal to the owner of the partnership's share, whether or not distributed, of the total distributive income or gain of the partnership for its tax period ending within or with the owner's tax period, or that proportion that is allocated by an agreement, if any, among the owners of the partnership that has been provided to the Director of the Division of Taxation in the Department of the Treasury by [such] the time and accompanied by [such] the additional information as the director may require.
- (3) The amount of credit allowed may be applied against the tax liability otherwise due pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), pursuant to section 1 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.
- d. (1) If, in any tax period, fewer than 200 full-time employees of the business at the qualified business facility are employed in new full-time positions, the amount of the credit otherwise determined pursuant to final calculation of the award of tax credits pursuant to subsection c. of this section shall be reduced by 20 percent for that tax period and each subsequent tax period until the first period for which documentation demonstrating the restoration of the 200 full-time employees employed in new full-time positions at the qualified business facility has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed; provided, however, that for businesses applying before January 1, 2010, there shall be no reduction if a business relocates to an urban transit hub from another location or other locations in the same municipality. For the purposes of this paragraph, a "new full-time position" means a position created by the business at the qualified business facility that did not previously exist in this State.
- (2) If, in any tax period, the business reduces the total number of full-time employees in its Statewide workforce by more than 20 percent from the number of full-time employees in its Statewide workforce in the last tax accounting or privilege period prior to the credit amount approval under subsection a. of this section, then the business shall forfeit its credit amount for that tax period and each

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subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the [business'] business's Statewide workforce to the threshold levels required by this paragraph has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.

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- (3) If, in any tax period, (a) the number of full-time employees employed by the business at the qualified business facility located in an urban transit hub within an eligible municipality drops below 250, or (b) the number of full-time employees, who are not the subject of intra-State job transfers, pursuant to paragraph (8) of subsection a. of this section, employed by the business at any other business facility in the State, whether or not located in an urban transit hub within an eligible municipality, drops by more than 20 percent from the number of full-time employees in its workforce in the last tax accounting or privilege period prior to the credit amount approval under this section, then the business shall forfeit its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating the restoration of the number of full-time employees employed by the business at the qualified business facility to 250 or an increase above the 20 percent reduction has been reviewed and approved by the authority, for which tax period and each subsequent tax period the full amount of the credit shall be allowed.
  - (4) (i) If the qualified business facility is sold in whole or in part during the 10-year eligibility period, the new owner shall not acquire the capital investment of the seller and the seller shall forfeit all credits for the tax period in which the sale occurs and all subsequent tax periods [,]; provided, however, that any credits of tenants shall remain unaffected.
- (ii) If a tenant subleases its tenancy in whole or in part during the 10-year eligibility period, the new tenant shall not acquire the credit of the sublessor, and the sublessor tenant shall forfeit all credits for the tax period of its sublease and all subsequent tax periods.
- 36 e. (1) The Executive Director of the New Jersey Economic 37 Development Authority, in consultation with the Director of the 38 Division of Taxation in the Department of the Treasury, shall adopt 39 rules in accordance with the "Administrative Procedure Act," 40 P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to implement 41 [this act] P.L.2007, c.346 (C.34:1B-207 et seq.), including, but not 42 limited to: examples of and the determination of capital investment; 43 the enumeration of eligible municipalities; specific delineation of 44 urban transit hubs; the determination of the limits, if any, on the 45 expense or type of furnishings that may constitute capital 46 improvements; the promulgation of procedures and forms necessary 47 to apply for a credit, including the enumeration of the certification 48 procedures and allocation of tax credits for different phases of a 49 qualified business facility or mixed use project; and provisions for

credit applicants to be charged an initial application fee, and ongoing service fees, to cover the administrative costs related to the credit.

(2) Through regulation, the **[**Economic Development Authority **]** <u>authority</u> shall establish standards based on the green building manual prepared by the Commissioner of Community Affairs, pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding the use of renewable energy, energy-efficient technology, and non-renewable resources in order to reduce environmental degradation and encourage long-term cost reduction.

11 (cf: P.L.2013, c.161, s.4)

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2. Section 35 of P.L.2009, c.90 (C.34:1B-209.3) is amended to read as follows:

35. a. (1) A developer, upon application to and approval from the authority, shall be allowed a credit of up to 35 percent of its capital investment, or up to 40 percent for a project located in a Garden State Growth Zone, made after the effective date of P.L.2009, c.90 (C.52:27D-489a et al.) but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified residential project, pursuant to the restrictions and requirements of this section. To be eligible for any tax credits authorized under this section, a developer shall demonstrate to the authority, through a project pro forma analysis at the time of application, that the qualified residential project is likely to be realized with the provision of tax credits at the level requested, but is not likely to be accomplished by private enterprise without the tax credits. The value of all credits approved by the authority pursuant to this section for qualified residential projects may be up to \$150,000,000, except as may be increased by the authority as set forth below and as set forth in paragraph (5) of this subsection; provided [,]; however, that the combined value of all credits approved by the authority pursuant to section 3 of P.L.2007, c.346 (C.34:1B-207) and this section shall not \$1,750,000,000, except as may be increased by the authority as set forth in paragraph (5) of this subsection. The authority shall monitor application and allocation activity under P.L.2007, c.346 (C.34:1B-207 et seq.), and if sufficient credits are available after taking into account allocation under P.L.2007, c.346 (C.34:1B-207 et seq.) to those qualified business facilities for which applications have been filed or for which applications are reasonably anticipated, and if the executive director judges certain qualified residential projects to be meritorious, the aforementioned \$150,000,000 cap may, in the discretion of the executive director, from time to time, be exceeded for allocation to qualified residential projects in [such] amounts as the executive director deems reasonable, justified, and appropriate. In allocating all credits to qualified residential projects under this section, the executive director shall take into account, together with other factors deemed

- relevant by the executive director: input from the municipality in which the project is to be located [,]; whether the project contributes to the recovery of areas affected by Hurricane Sandy [,]; whether the project furthers specific State or municipal planning and development objectives, or both [,]; and whether the project furthers a public purpose, such as catalyzing urban development or maximizing the value of vacant, dilapidated, outmoded, government-owned, or underutilized property, or both.
  - (2) A developer shall make or acquire capital investments totaling not less than \$50,000,000 in a qualified residential project to be eligible for a credit under this section. A developer that acquires a qualified residential project shall also be deemed to have acquired the capital investment made or acquired by the seller.

- (3) The capital investment requirement may be met by the developer or by one or more of its affiliates.
- (4) A developer of a mixed use project shall be allowed a credit pursuant to subparagraph (a) or (b) of this paragraph, but not both.
- (a) A developer shall be allowed a credit in accordance with this section for a qualified residential project that includes a mixed use project.
- (b) A developer shall be allowed a credit of up to 35 percent of its capital investment, or up to 40 percent for a project located in a Garden State Growth Zone, made after the effective date of P.L.2011, c.89, but prior to its submission of documentation pursuant to subsection c. of this section, in a qualified residential project that is part of a mixed use project, provided that:
- **[**(a)**]** (i) the capital investment in the qualified residential project represents at least \$17,500,000 of the total capital investment in the mixed use project; and
- **[**(b)**]** (ii) the total capital investment in the mixed use project of which the qualified residential project is a part is not less than \$50,000,000.

The allowance of credits under this paragraph shall be subject to the restrictions and requirements, to the extent that those are not inconsistent with the provisions of this paragraph, set forth in paragraphs (1) through (3) of this subsection, including, but not limited to, the requirement prescribed in paragraph (1) of this subsection that the developer shall demonstrate to the authority, through a project pro forma analysis at the time of application, that the qualified residential project is likely to be realized with the provision of tax credits at the level requested but is not likely to be accomplished by private enterprise without the tax credits.

As used in this subparagraph:

"Mixed use project" means a project comprising both a qualified residential project and a qualified business facility.

(5) The authority may approve and allocate credits for qualified residential projects in a value sufficient to meet the requirements of all applications that were received by the authority between October

### A4690 PINTOR MARIN, SPENCER

- 24, 2012 and December 21, 2012, without regard to the terms of any competitive solicitation, except for the \$33,000,000 per project cap, and without need for reapplication by any applicant. The authority shall take final action on those applications prior to the 120th day after the date of enactment of the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
  - b. (1) A developer shall apply for the credit under this section on or prior to December 21, 2012 but may thereafter supplement an application as may be requested by the authority. A developer shall submit its documentation for approval of its credit amount no later than April 26, [2017] 2018.
  - (2) If a developer has submitted an application under this section and the application has not been approved for any reason, the lack of approval shall not serve to prejudice in any way the consideration of a new application as may be submitted for the project for the provision of incentives offered pursuant to the "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.).
  - c. The credit shall be administered in accordance with the provisions of subsections c. and e. of section 3 of P.L.2007, c.346 (C.34:1B-209), as amended by section 32 of P.L.2009, c.90, and section 33 of P.L.2009, c.90 (C.34:1B-209.1), except that:
  - (1) all references therein to "business" and "qualified business facility" shall be deemed to refer respectively to "developer" and "qualified residential project," as **[**such**]** those terms are defined in section 34 of P.L.2009, c.90 (C.34:1B-209.2); and
  - (2) all references therein to credits claimed by tenants and to reductions or disqualifications in credits as determined by annual review of the authority shall be disregarded.

[Provided however, for] For purposes of a "mixed use project" as that term is used and defined pursuant to subparagraph (b) of paragraph (4) of subsection a. of this section, "qualified business facility" means that term as defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

(cf: P.L.2013, c.161, s.6)

3. This act shall take effect immediately.

### **STATEMENT**

This bill extends, from April 26, 2017 to April 26, 2018, the deadline for the developer of qualified residential project to submit its documentation of its credit amount under the Urban Transit Hub Tax Credit Program for approval by the New Jersey Economic Development Authority. The bill also extends, from July 28, 2017 to July 28, 2018, the deadline for a developer to submit information on the credit amount certified for any tax period, the failure of which subjects the amount to being forfeited.

# ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT COMMITTEE

### STATEMENT TO

### ASSEMBLY, No. 4690

with committee amendments

## STATE OF NEW JERSEY

DATED: DECEMBER 10, 2015

The Assembly Commerce and Economic Development Committee reports favorably and with committee amendments Assembly Bill No. 4690.

This bill extends, from April 26, 2017 to April 26, 2018, the deadline for the developer of a qualified residential project to submit its documentation of its credit amount under the Urban Transit Hub Tax Credit Program for approval by the New Jersey Economic Development Authority. The bill also extends, from July 28, 2017 to July 28, 2018, the deadline for a developer to submit information on the credit amount certified for any tax period, the failure of which subjects the amount to forfeiture.

### **COMMITTEE AMENDMENTS:**

Committee amendments extend the deadline for a business to submit documentation for approval of a credit amount for a qualified business facility from April 26, 2017 to April 26, 2018. This amendment will make the bill identical to S3182 (1R), which is currently on second reading in the Senate.

### STATEMENT TO

# [First Reprint] **ASSEMBLY, No. 4690**

with Assembly Floor Amendments (Proposed by Assemblywoman PINTOR MARIN)

ADOPTED: DECEMBER 17, 2015

These amendments extend for two years the deadline for the developer of a qualified residential project or qualified business facility to submit its documentation of its credit amount under the Urban Transit Hub Tax Credit Program for approval by the New Jersey Economic Development Authority (EDA). The amendments also extend for two years the deadline for a developer to submit information on the credit amount certified for any tax period, the failure of which subjects the amount to forfeiture. The amendments extend for one year the deadline for the developer of a qualified residential project to submit its documentation of receiving a temporary certificate of occupancy to the EDA to qualify to receive tax credits under the Economic Redevelopment and Growth Grant program. Further, the amendments extend until July 28, 2018, the deadline for a business, which applied for a credit under the Grow New Jersey Assistance Program prior to July 1, 2014 under the original law establishing that program, to submit its documentation indicating that it has met the capital investment and employment requirements under that program.

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### Governor Chris Christie Takes Action On Pending Legislation From The 216th Legislative Session

Tuesday, January 19, 2016

Tags: Weather

Home > Newsroom > Press Releases > 2016



**Trenton, NJ –** Furthering his administration's commitment to New Jersey's veterans and military personnel, Governor Chris Christie took action today on legislation from the 216th Legislative Session, including 11 legislative measures designed to assist both active military members and veterans, along with their families.

"From the very start of this administration, we have focused on serving the needs of our veterans and the men and women still in active duty, assisting them with everything from securing jobs to finding the proper health care and social services," said Governor Christie. "The bills I signed today continue to make good on our promise to help those who have given so much of themselves to defend and serve this nation find a seamless transition back to civilian life and receive a helping-hand, when needed, no matter how long after their discharge from the military."

### The enacted legislation includes:

- S-172/A-2276 (Whelan, Beach/DeAngelo, Quijano) Exempts disabled veterans and Purple Heart recipients from
  payment of municipal parking meter fees when their vehicles bear a disable veteran's or Purple Heart license plate or
  placard issued by New Jersey Motor Vehicle Commission
- S-2972/A-4465 (Van Drew, Cruz-Perez/Andrzejczak, Tucker, Benson) Requires DMVA assist and mentor veterans through criminal justice system
- A-1667/S-2155 (Johnson, DeAngelo, Andrzejczak, Mukherji, Pintor Marin/Van Drew, A.R. Bucco) Permits
  child whose parent or guardian is ordered into active military service to remain enrolled in school district where child's
  parent or guardian resided prior to active military service
- A-2935/S-1325 (Andrzejczak, Lagana, Webber, Mosquera, Lampitt/Van Drew, A.R. Bucco) Authorizes property tax deferment for deployed military personnel
- A-2299/S-239 (Andrzejczak, Benson/Van Drew, Stack) Requires municipalities to exempt 100% disabled veterans from construction permit surcharge fees for improvements to promote living unit accessibility; appropriates \$20,000 for municipal reimbursements
- A-3552/S-2636 (Mazzeo, Andrzejczak, Mukherji, Benson/Beach, Van Drew) Creates financial planning assistance program for disabled veterans and their caregivers
- A-3554/S-2606 (Mazzeo, Andrzejczak, Mukherji, Benson, Danielsen/Beach, Cruz-Perez) Increases income eligibility cap to receive respite care for certain veterans
- AS for A-3750/S-2569 (Lampitt, Tucker, Andrzejczak, Singleton, Mosquera/Beach, Allen) Requires Adjutant General to create informational webpage for women veterans
- A-4148/S-2731 (Andrzejczak, Benson/Van Drew, Beach) Provides an excused absence on Veterans Day for
  pupil who participates in certain activities for veterans or active duty members of United States Armed Forces or New
  Jersey National Guard

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- A-4323/S-2952 (DeAngelo, Lagana, Muoio, Benson/Beach, Whelan) Expands timeframe for renewal of driver's license, registration, and inspection by military personnel and immediate family members under certain circumstances.
- AJR-117/SJR-85 (Tucker, Holley, Vainieri Huttle/Beach, Whelan, Madden) Urges Congress to restore funding to Vets4Warriors veteran suicide hotline

The Governor also took the following action on other pending legislation:

### **BILL SIGNINGS:**

**BILL SIGNINGS:** 

- S-451/A-1103 (Ruiz, Allen/Vainieri Huttle, Singleton, Benson) Establishes Office of the Special Education Ombudsman in DOE
- S-485/A-1976 (Cunningham, Ruiz/Lampitt, Mosquera, Quijano) -Requires president of public institution of higher education to regularly report on-campus criminal and fire events to the institution's governing board
- S-489/A-4926 (Cunningham, T. Kean/Diegnan, Mukherji, Benson) Authorizes institutions of higher education to grant college credit to high school students who complete the Jersey Boys State or Jersey Girls State program
- S-832/A-2039 (Whelan, Beach/Moriarty, Stender, Garcia) Permits voter registration of certain persons at age 17 for voting at next election occurring on or after 18th birthday
- S-1046/A-2721 (Turner, Scutari/Gusciora) Concerns alterations in child support obligations in response to changes to status of supported child
- S-1184/A-1950 (Vitale, Beach/Conaway, Diegnan, Sumter, Danielsen) Revises requirements for licensure and creates physician-delegated scope of practice for physician assistants
- S-1346wGR/A-3837 (Rice/Coughlin, Garcia, Rodriquez-Gregg, Pintor Marin, Jasey) Concerns the recording of mortgages
- S-1447/A-2829 (Greenstein, Addiego/Johnson, Mainor, Rible, Quijano) Prohibits posting, publishing on the Internet, or disclosing certain information regarding law enforcement officers
- S-1567/A-410 (A.R. Bucco, Van Drew/A.M. Bucco, Bramnick, Johnson, Quijano, Rumana) Establishes DOT roadside memorial program for fallen police officers, sheriff's officers, EMS workers, and firefighters; designated as "Patrolman Joseph Wargo's Law"
- S-1687/A-4924 (Ruiz, Vitale/Diegnan, Eustace) Permits students made homeless by act of terrorism or natural disaster to attend tuition-free the school district in which they resided prior to being homeless for two school years after the event
- S-2032wGR/A-3440 (Codey, Turner/Diegnan, Eustace) Requires DOE to review Core Curriculum Content Standards to ensure that they incorporate modern computer science standards where appropriate
- S-2110/A-3343 (Oroho/Space, Vainieri Huttle, Schaer, Phoebus, Pinkin) Requires nursing homes to offer form designating beneficiary of personal needs allowance accounts from incoming and current residents

- S-2201/A-3273 (O'Toole/Russo, Rumana, Casagrande) Authorizes youth camps to maintain supply of
  epinephrine and permit trained employees to administer epinephrine to camp members suffering from anaphylasis
- SCS for S-2251/A-3708 (Oroho, Barnes/Diegnan, Webber, Johnson, Space, Phoebus) Increases monetary amounts for transfer of estate assets without administration and for exemption from debts of the deceased
- S-2260wGR/A-688 (Scutari, Cardinale/Schaer) Modifies certain fees charged by, and requirements imposed on, check casher licensees
- · S-2284wGR/A-3549 (Pou, Weinberg/Schaer, Vainieri Huttle, Webber, Singleton, Jimenez, Johnson, Bramnick)
- Requires Medicaid managed care organizations to meet certain conditions prior to reducing reimbursement rates for personal care assistant services and home-based supportive care services
- S-2442/A-3891 (T. Kean, Sarlo/Bramnick, Rodriquez-Gregg, Johnson, Casagrande, Schepisi) Establishes NJ Innovation and Research Fellowship Program in DOLWD
- S-2495/A-3868 (Codey, Rice/Conaway, Singleton, Eustace, Coughlin) Authorizes State-chartered banks, savings banks, savings and loans, and credit unions to conduct certain savings account promotions
- S-2617/A-3944 (Cardinale/Garcia, McKeon, Auth, Eustace, Pinkin) Requires DEP to adopt regulations to allow cultivation of commercial shellfish species in certain coastal and inner harbor waters for research, educational, or restoration purposes; requires community engagement process for revision thereof
- S-2627/A-3957 (Cardinale, Sacco/Schepisi, Auth, Eustace, Rumana, Johnson) Designates State Highway
   Route 17 in Borough of Ramsey as "Staff Sergeant Timothy R. McGill Memorial Highway"
- S-2695/A-4110 (T. Kean, Sacco/Dancer, Benson, Jimenez, Johnson) Requires MVC conduct study and make recommendations concerning electronic driver's licenses and mobile applications
- S-2741/A-4213 (Doherty/Vainieri Huttle, Webber) Permits unregulated solicitation to perform snow shoveling within 24 hours of predicted snowstorm
- S-2787wGR/A-4273 (Sweeney/Singleton, Burzichelli, Giblin, Prieto, Wimberly) Establishes vocational training pilot program in DOC; provides for inmate compensation for education and workforce training participation
- S-2880/A-4704 (Lesniak, T. Kean/Diegnan, Wisniewski) Provides up to \$25 million in tax credits under Economic Redevelopment and Growth Grant Program for certain infrastructure at Rutgers, the State University of New Jersey
- S-2922/A-4925 (Ruiz, Turner/Diegnan, Jasey) Requires DOE on its website to link to Department of Treasury's
  website where list is maintained of all third party individuals and vendors employed or retained for work associated with
  State assessments
- S-2923/A-4901 (Ruiz, Turner/Jasey, Caputo) Requires school district or charter school to provide notification to parent or guardian of enrolled student on upcoming administration of State assessments or commercially-developed standardized assessment
- S-2960/A-4331 (Codey, Rice/Garcia, Vainieri Huttle, Danielsen, DeAngelo, Holley, Benson, Mukherji) -

Establishes requirements for training programs for homemaker-home health aides in care of patients with Alzheimer's disease and related disorders

- S-3019/A-4771 (Sweeney, Stack/Burzichelli, Muoio) Requires filing of financial agreement for long term tax exemption with county finance officer and counsel; requires quarterly payment of county share of payment in lieu of tax
- S-3129/A-4728 (Madden, Cunningham/DeAngelo, Benson, Lampitt, Quijano) Directs DOLWD to provide information regarding employee leave and benefit rights
- S-3168/A-4769 (Sweeney, O'Toole/Burzichelli) Limits increase in annual budget requests of certain county entities
- S-3170/A-4768 (Pou, Bateman/Burzichelli) Requires county superintendent of elections to operate pursuant to county administrative code; subjects certain salary costs of office of county superintendent of elections to review and approval by county governing body
- · S-3171/A-4575 (Whelan, Oroho/Greenwald, Burzichelli) Creates definition of certified mail
- S-3182/A-4690 (Ruiz, Pou/Pintor Marin, Spencer, Sumter) Delays certain documentation submission deadlines under certain business tax credit programs
- S-3207/A-4714 (Vitale, T. Kean/Lampitt, Mosquera) Limits liability of caregivers when facilitating normalcy for children in foster care
- S-3240/A-4878 (Lesniak, Allen/Spencer, Sumter, Holley, Eustace) Authorizes establishment of recovery high school alternative education programs
- S-3242/A-4856 (Vitale, Sweeney/Vainieri Huttle) Clarifies best interests of the child should be primary
  consideration in actions undertaken by State governmental entities and courts of law
- S-3243/A-4702 (Vitale, Greenstein/Vainieri Huttle, Spencer) Provides that if minor appears to have been sexually assaulted, health care professionals in addition to physicians may authorize forensic sexual assault examination and medical care without parental consent
- S-3247/A-4928 (Ruiz, Pou/Sumter, Wimberly) Eliminates cap on cost of SDA district school facilities projects that may be constructed by district and included in capital outlay budget
- S-3282wGR/A-4850 (Rice, Cunningham/Wimberly, Mainor, Johnson) Expands Police Training Commission membership to include representative from Northern New Jersey and South Jersey Chapters of National Organization of Black Law Enforcement Executives
- S-3303/A-4469 (Whelan/Quijano, Mukherji, Jimenez) Makes fraudulent use of social security number to collect lottery winnings crime of fourth degree
- S-3321/A-4927 (Smith, Van Drew, Bateman/Spencer, Rumana) Authorizes DEP to require public access to waterfront and adjacent shoreline as condition of waterfront development approvals and CAFRA permits

- SJR-22/AJR-40 (Weinberg/Johnson, Vainieri Huttle) Designates January 14 of each year as "Hannah G. Solomon Day"
- ACS for A-206, 471, 1663, 2879, 3060, 3108wGR/S-2663 (Green, Spencer, Gusciora, Johnson, McKeon, Giblin, Wimberly, Mainor, Quijano/Turner, Lesniak, Pou) - Shortens waiting periods for expungement of criminal and other records and information; makes various changes to other expungement procedures and requirements
- A-311/S-2426 (Bramnick, Diegnan, Wimberly, Gusciora/Ruiz, T. Kean) Requires public schools to weight
  courses in visual and performing arts equally with other courses worth same number of credits in calculating grade
  point average
- ACS for A-428/S-393 (Jimenez, Prieto/Sacco, Sarlo) Expands DNA database to include samples from disorderly
  persons who are fingerprinted and permits law enforcement officers to collect certain biological samples
- A-801wGR/S-861 (Coughlin, Wisniewski, Mazzeo/Vitale, Sacco) Directs New Jersey Turnpike Authority and South Jersey Transportation Authority to study and report on potential revenue generating services of rest areas and service plazas
- A-984/S-1534 (Andrzejczak, Wimberly/Van Drew, Bateman) Enhances penalty for tampering with evidence after fleeing the scene of an accident resulting in death
- A-1455/S-2011 (Diegnan, Mosquera, Caputo, Jasey, Mukherji/Madden, Holzapfel) Abigail's Law; requires that newly-manufactured school buses be equipped with sensors
- A-1462/S-3288 (Diegnan, Wimberly/Gill) Requires coin redemption machine operators to disclose fees
- A-1466 (Diegnan, O'Donnell, Mainor, Garcia) Allows for waiver of school bus requirements for mobility
  assistance vehicle technicians who transport students with medical needs to and from school
- A-1726wGR/S-308 (Eustace, Lagana, Mosquera, Vainieri Huttle, Wimberly/Gordon) Amends "Flood Hazard Area Control Act" to require DEP to take certain actions concerning delineations of flood hazard areas and floodplains
- A-1812/S-2717 (Mosquera, Mazzeo, Andrzejczak/Cruz-Perez, Oroho, Jones) Extends protections of the new vehicle "lemon law" to new farm tractors purchased or leased in New Jersey
- A-1958/S-1848 (Allen, Van Drew) Concerns exemptions from permits for certain agricultural activities under "Freshwater Wetlands Protection Act"
- A-2597/S-2161 (Singleton, Diegnan, DiMaio/Ruiz, Beach) Provides that beginning with the 2016-2017 grade
  nine class, Advanced Placement computer science course may satisfy a part of the mathematics credits required for
  high school graduation
- A-2839/S-2620 (Burzichelli, Space, Phoebus/Oroho, Turner) "New Jersey Rural Microenterprise Act"
- · A-2915/S-2035 (Lagana, McKeon, Ciattarelli/Bateman, Barnes) "Uniform Trust Code"

- A-2943/S-1312 (Andrzejczak, DeAngelo, Mazzeo, Quijano, Danielsen/Van Drew, Allen) Provides for voluntary
  contributions by taxpayers on gross income tax returns for active duty members of United States Armed Forces,
  Reserve components thereof, and National Guard from New Jersey
- A-3006/S-3272 (Conaway, Singleton, Eustace, DiMaio, Danielsen/Beach, Turner) Establishes procedure for consolidating fire districts
- A-3019/S-1978 (Singleton, Conaway, Andrzejczak, Mazzeo, Garcia, Mosquera/Van Drew, Beach) Requires
   State Employment and Training Commission to prepare annual report on State workforce
- A-3043/S-1943 (Space, DeAngelo, Egan, Phoebus, Moriarty/Oroho, Van Drew) Concerns authority of DOLWD to inspect prevailing wage public work projects
- A-3044/S-1944 (Space, DeAngelo, Egan, Phoebus, Moriarty/Oroho, Van Drew)
   Requires Commissioner of DOLWD to disseminate certain information to contractors who bid on or perform prevailing wage public work
- A-3225/S-2333 (Singleton, Rible, Lampitt, Quijano, Pintor Marin, Jimenez/Sweeney) Provides for licensure of chiropractic assistants
- A-3228/S-2499 (Mukherji, Vainieri Huttle, Mosquera, Garcia/Turner) Requires sober living homes and other substance abuse aftercare treatment facilities to provide certain notifications to next-of-kin when patient is released from care; designated as "Nick Rohdes' Law"
- A-3257wGR/S-2125 (Andrzejczak, Mazzeo, Burzichelli/Van Drew) Provides that determination by county agriculture development board or State Agriculture Development Committee as to what qualifies as farm-based recreational activity in pinelands protection area is binding on Pinelands Commission
- A-3276/S-2248 (Mazzeo/Whelan) "Mainland Memoriam Act"; directs MVC to create graduated driver's license informational material to be distributed by motor vehicle dealers
- A-3435wGR/S-2503 (Garcia, Mukherji, Vainieri Huttle, Mainor, Eustace, Mosquera/Stack, Gordon) "Boys & Girls Clubs Keystone Law"; permits minors to give consent for behavioral health care
- A-3850/S-2467 (DeAngelo, Eustace, Mazzeo, Pintor Marin, Benson/Turner, Singer) Requires BPU to establish procedures allowing electric power and gas supplier customers to switch energy suppliers
- A-3927/S-2820 (Andrzejczak, Mazzeo, Taliaferro, Dancer/Van Drew, Oroho) Requires drivers to slow down before passing slow moving vehicles; establishes Statewide educational campaign on rural roadway safety; updates agriculture-related motor vehicle laws to reflect current industry practices
- A-3955/S-2644 (Conaway, Benson, Vainieri Huttle, Munoz, Sumter, Mukherji/Vitale, Codey) Requires development and maintenance of database to advise public about open bed availability in residential substance use disorders treatment facilities
- A-4098/S-2877 (Pinkin, Sumter, Benson/Codey, Greenstein) Prohibits sale or distribution of liquid nicotine
  except in child-resistant containers

- A-4105/S-2977 (Garcia, Mainor, Mukherji, O'Donnell, Sumter, Rible, A.M. Bucco/Greenstein, Cunningham) Expands scope of law governing registration of security guards; designated as " Detective Vincent Santiago's Law"
- A-4133/S-2997 (Giblin, Pinkin/Cruz-Perez, Allen) Allows dispensation of certain nutritional supplements by physician or podiatric physician
- A-4275wGR/S-2831 (Prieto, Eustace, Lagana, Greenwald, Quijano, Danielsen, Mukherji/Sweeney, Turner,
   Sarlo) "New Jersey Secure Choice Saving Program Act"; establishes retirement savings program for certain workers
- A-4386wGR/S-3042 (Coughlin, Pinkin, Vitale, Singer) Permits candidates for school board to circulate petitions
  jointly and be bracketed together on ballot; permits short nonpolitical designation of principles on petitions and ballots;
  provides for study of impact of changes
- A-4387/S-3016 (Coughlin, Wisniewski, Wimberly/Vitale) Requires MVC to allow submission of "Next-of-Kin Registry" information by mail
- A-4388/S-3041 (Coughlin, Wisniewski/Vitale) Designates State Highway 184 in Woodbridge Township as "Bruce Turcotte Memorial Highway"
- A-4415/S-3279 (Diegnan, Garcia, Pinkin/Turner, Ruiz) Establishes State Seal of Biliteracy to recognize high school graduates who have attained a high level of bilingual proficiency
- A-4420/S-3056 (Mazzeo, Vainieri Huttle, DeAngelo, Lampitt/Gordon, Greenstein) Requires certain notifications for termination of services to persons with developmental disabilities and providers
- A-4476wGR/S-2876 (Conaway/Codey) Requires certain surgical practices and ambulatory care facilities licensed in this State to be owned by hospital or medical school located in the State
- A-4719/S-3250 (Moriarty, Mosquera, Vainieri Huttle, DeAngelo, Diegnan, Mukherji/Cruz-Perez, Ruiz) Extends
  use of stored driver's license picture for person undergoing chemotherapy or other treatment for certain medical
  illnesses
- CC for A-4863/S-3233 (A.M. Bucco, Phoebus, Munoz, Wisniewski, Oliver/A.R. Bucco) Requires warning sign to be posted at pontoon boat rental businesses; designated as "Christopher's Law"
- AJR-112/SJR-86 (Conaway/Weinberg) Designates May of each year as "Cystic Fibrosis Awareness Month"
   BILLS POCKET VETOED:
- S-221/A-4155 (Allen, Vitale/Vainieri Huttle, Sumter, Lampitt) Prohibits the restraint of prisoners during and immediately after childbirth
- S-316/A-1739 (Gordon/Eustace, Ciattarelli, Lagana, Gusciora) Increases flexibility, clarity, and available tools of optional municipal consolidation process
- S-564/A-4186 (Smith, Bateman/Eustace, McKeon, Spencer, Benson) Establishes "Solar Roof Installation Warranty Program" in EDA and transfers \$2 million from societal benefits charge to initially fund program

- S-602/A-3254 (Codey, Vitale/Vainieri Huttle, Angelini, Lampitt, Diegnan, Jasey, Conaway, Moriarty) Raises minimum age for purchase and sale of tobacco products and electronic smoking devices from 19 to 21
- SCS for S-726, 1257/ACS for A-1405 (Turner, Cruz-Perez, Beach, T. Kean/Lampitt, Egan, Quijano, Sumter, Danielsen) Establishes innovation zone program to stimulate technology industry clusters around New Jersey's research institutions; allows certain technology businesses located in certain innovation zones to receive certain tax credits under Grow New Jersey Assistance Program
- S-1232/A-3314 (Weinberg, Pennacchio/Johnson, Greenwald, Wimberly, Mosquera) Establishes Office of State Dental Director and New Jersey Oral Health Commission
- S-1279/A-2325 (Rice, Van Drew/Spencer, Muoio, Benson, Pintor Marin) Makes FY 2016 supplemental Grants-in-Aid appropriation of \$10 million to DCA for Lead Hazard Control Assistance Fund
- S-1414/A-2405 (Smith, Bateman/Eustace, Benson, Johnson) Concerns low emission and zero emission vehicles; establishes Clean Vehicle Task Force
- SCS for S-1420/ACS for A-1603 (Beach, Whelan, Smith, Sweeney, Bateman, Thompson/Spencer, Eustace, Quijano, Wimberly) Requires paint producers to implement or participate in paint stewardship program
- S-1436/A-4687 (Rice/Green, Holley) Exempts sales to homeowner assistance and recovery programs from realty transfer fees
- S-1594/A-4044 (Turner/Peterson, Lagana, Rible, Jasey, Wimberly) Requires a public school district to provide a
  daily recess period for students in grades kindergarten through 5
- S-1961/A-4111 (Codey/McKeon, Jasey, Vainieri Huttle, Garcia) Establishes certain minimum and maximum temperatures in emergency shelters, rooming and boarding houses, and certain nursing homes and residential health care facilities
- S-2143/ACS for A-1682, 3547 (Van Drew, Singer/Wisniewski, Andrzejczak, Webber) Establishes time periods for adverse possession of certain property
- S-2375/A-3700 (Vitale, Singer/Mazzeo, Vainieri Huttle, Lagana, Sumter, A.M. Bucco) Provides for licensure of ambulatory care facilities to provide integrated primary care services including behavioral health care
- · S-2491/A-4069 (Smith/Danielsen, Pinkin, Benson) Establishes position of State Oceanographer
- S-2515/A-3269 (Scutari/Mukherji, Burzichelli, McKeon, Garcia) Confers title of Acting Associate Justice of the Supreme Court on certain judges of the Supreme Court, Appellate Division, temporarily assigned to the Supreme Court
- SCS for S-2521/ACS for A-3888 (Gill, Allen/Lampitt, Benson, Vainieri Huttle, Eustace) Establishes Pedestrian
  and Bicycle Safety Advisory Council
- S-2623/A-4849 (Turner/Wimberly, Mainor, Johnson) Requires law enforcement agencies in this State to establish minority recruitment and selection programs; establishes reporting requirement

- S-2640/A-4026 (Madden, Pou/Lampitt, Mosquera, Vainieri Huttle) Establishes New Jersey Caregiver Task Force to evaluate and provide recommendations on caregiver support services
- S-2711/A-4128 (Smith, Whelan/Mazzeo, DeAngelo, Spencer, Singleton, McKeon, Danielsen, Johnson) Permits BPU to approve qualified wind energy project; requires BPU to provide application periods for those projects
- S-2716/A-4359 (Ruiz, Turner/Pintor Marin, Spencer, Sumter, Caride) Requires that school district's request for permission to use unrecognized position title include list of abolished positions and positions in which there have been layoffs and detailed job descriptions for them
- S-2769/AS for ACS for A-4197, 4206 (Smith, Bateman/Andrzejczak, McKeon, Spencer, Pintor Marin, Dancer, Vainieri Huttle) - Implements 2014 constitutional dedication of CBT revenues for certain environmental purposes; revises State's open space, farmland, and historic preservation programs
- S-2793/A-3962 (Whelan/Vainieri Huttle) Increases from 17 to 21 public members of New Jersey State Council on the Arts; requires members to be residents of NJ; imposes specific criteria for four new members initially appointed
- S-2806/A-4913 (Cunningham, Vitale, Singer/Muoio, Spencer) Removes restrictions on convicted drug offenders
  receiving general assistance benefits under Work First New Jersey program
- S-2878/A-4636 (Stack, Weinberg/Jimenez, Lagana, Mukherji, Vainieri Huttle, Giblin, Moriarty) Establishes minimum certified nurse aide-to-resident ratios in nursing homes
- S-2975/A-4548 (Sarlo, Pou/Wimberly) Establishes pilot program in Paterson authorizing non-disclosure of records of certain expungements
- S-3067/A-4653 (Barnes, Turner/Diegnan, Oliver) Requires teachers of health and physical education in grades kindergarten through six in public schools to possess appropriate endorsement to instructional certificate
- S-3071/A-4639 (Weinberg, Gordon/Vainieri Huttle, Garcia, Eustace, Johnson)
   Establishes Mike Adler Aphasia Task Force to assess needs of persons with aphasia, and their families, and ensure adequate provision of support services and information thereto
- S-3201/A-3607 (Barnes, Holzapfel/Dancer, McGuckin, Rible, A.M. Bucco) Requires interior light of motor vehicle be turned on when stopped by law enforcement under certain circumstances
- S-3244/A-2740 (Ruiz, Sarlo/Diegnan, Johnson, Jasey) Eliminates school district budget per pupil administrative
  cost limits
- S-3249/A-4717 (Weinberg, Codey/Johnson, Vainieri Huttle, Eustace, Garcia) Requires firearm retailers to sell
  personalized handguns
- S-3277/A-4764 (Cruz-Perez/Burzichelli) Expands municipal authority to license and inspect residential rental property
- S-3299/A-4903 (Sweeney, Singer, Vitale/Burzichelli, Rible, Pintor Marin, Mukherji, Lagana, Vainieri Huttle) -

Maintains property tax exemption for certain nonprofit hospitals with on-site for-profit medical providers; requires these hospitals to pay community service contributions to host municipalities; establishes Nonprofit Hospital Community Service Contribution Study Commission

- S-3416/A-4808 (Lesniak, Sarlo/Eustace, Gusciora) Prohibits possession, transport, import, export, processing, sale, or shipment of parts and products of certain animal species threatened with extinction
- SJR-77/A-JR104 (Bateman, Whelan/Ciattarelli, McKeon, Eustace) Permits county commissioners of registration and boards of election to conduct "Electronic Poll Book Demonstration Project" in certain districts during 2016 elections; requires Division of Elections review and approval of proposed projects
- A-431/S-2773 (Jimenez/Singer) Requires clinical laboratory that provides services for accountable care
  organization to establish clinical laboratory testing advisory board
- A-943/S-2967 (Singleton, Conaway, Moriarty, Green, Lampitt, Mazzeo/Van Drew) Permits small businesses to qualify for loans from NJEDA for costs of energy audit and making energy efficiency or conservation improvements
- A-945/S-2402 (Singleton, Lampitt, Schaer, Wimberly, Garcia/Rice, Turner) Establishes New Jersey Council on Responsible Fatherhood and Responsible Fatherhood Fund
- A-964/S-187 (Singleton, DeAngelo, Quijano, Coughlin, Moriarty/Whelan, Madden) Requires certain bidders for prevailing wage public work to provide proof that the prevailing wage will be paid
- A-986/S-247 (Andrzejczak, Benson, Danielsen, Moriarty/Van Drew, Cunningham) Establishes telemarketing fraud investigation unit
- A-1035/S-2040 (Benson, Rible, A.M. Bucco/Scutari, Cardinale) Prohibits health insurance carriers from
  requiring optometrists to become providers with vision care plans as condition of becoming providers in carriers' panel
  of providers
- A-1039/S-2310 (Benson, Prieto, Caride, Quijano/Sacco, Greenstein) Sets forth certain standards to be followed by law enforcement agencies and fire departments when utilizing drones
- A-1431/S-1501 (Caride, Singleton, Jasey/Bateman, Addiego) Requires State Board of Education regulations regarding school nurse certification to include certain minimum eligibility requirements
- A-1849/S-1766 (Lampitt, Spencer/Rice) Prohibits State Board of Education from limiting number of certain twoyear college credits that may be applied towards meeting teacher certification requirements
- A-2026/S-3317 (Greenwald, Pintor Marin/Sweeney, Oroho) Realigning the transfer inheritance tax payment due date to coincide with the payment due dates for State and federal estate taxes
- A-2583 (DeAngelo, Pintor Marin) Requires development of fact sheet about bedbugs to be posted on the
  Department of Education's website
- A-2586/S-1796 (DeAngelo, Quijano, Benson/Greenstein) Establishes "Energy Infrastructure Study Commission"

- A-2925/S-1033 (Lagana, O'Scanlon, Burzichelli, Garcia/Weinberg, Oroho, Van Drew) Allows modernization for the form of disbursement for certain State government and local unit payments to individuals and business entities
- A-3460/S-2191 (Conaway, Pinkin, Sumter, Casagrande, Wimberly/Vitale, Cruz-Perez) Requires Medicaid
  coverage for diabetes self-management education, training, services, and equipment for patients diagnosed with
  diabetes, gestational diabetes, and pre-diabetes
- A-3806/S-2493 (Singleton, Dancer, Mosquera, Benson/Sweeney, Weinberg) Establishes four-year pilot program in Ocean County for electronic monitoring of certain domestic violence offenders; designated as "Lisa's Law"; appropriates \$2.5 million
- A-4182/S-1995 (Eustace, Sumter, Wimberly, Danielsen, Jimenez/Bateman, Smith) Prohibits firearm
  possession by persons convicted of carjacking, gang criminality, racketeering and terroristic threats
- A-4271/S-3036 (Conaway, Benson, Pinkin, Wimberly/Vitale, Greenstein) Mandates health benefits coverage for opioid analgesics with abuse-deterrent properties
- A-4343/S-2888 (Schaer, Prieto, Sumter, Danielsen, Johnson/Turner) Requires county and municipal police departments to establish cultural diversity training course and plan
- A-4384/S-3145 (DeAngelo, Pintor Marin, Danielsen, Schaer, Johnson/Whelan) Requires BPU to render decision on case within 12 months of final public hearing or hold another public hearing prior to deciding case
- ACS for A-4576/S-1771 (Johnson, Wimberly, Spencer, Tucker/Turner) Requires lowest possible price not exceeding certain cap for inmate telephone calls
- A-4616/S-2958 (Giblin, DeAngelo, Mukherji/Sweeney) Extends by two months seasonal retail consumption alcoholic beverage license
- A-4652/S-3065 (Benson/Gordon) Requires Public Health Counsel to promulgate rules and regulations for use of quality control programs in bio-analytical and clinical laboratories
- A-4763/SS for SCS for S-2973 (McKeon, Spencer, Pinkin/Smith, Bateman, Greenstein, Codey) Revises "Electronic Waste Management Act"
- A-4772/S-3169 (Burzichelli/Weinberg) Permits counties to impose one-percent hotel tax
- A-4773/S-3146 (Eustace, Garcia, Gusciora/Lesniak) Prohibits possession and transport of parts and products of certain animals at PANYNJ airports and port facilities
- A-4918/S-3301 (Gusciora, S. Kean/Sweeney, Singer) Clarifies stadiums and arenas owned by local government entities are exempt from property taxation
- A-4931/S-3325 (Mazzeo/Sweeney) Revises "Casino Property Tax Stabilization Act"

- NO ACTION TAKEN ON BILLS:
- A-3981wGR/S-2572 (Mazzeo, Burzichelli, Andrzejczak/Sweeney, Whelan) "Casino Property Taxation Stabilization Act"
- · A-3984wGR/S-2575 (Mazzeo, Burzichelli, Giblin/Sweeney, Whelan) Reallocates casino investment alternative tax to Atlantic City to pay debt service on municipal bonds issued
- · A-3985wGR/S-2576 (Mazzeo, Burzichelli, Andrzejczak, Giblin/Sweeney, Whelan) Removes provisions of law relating to Atlantic City Alliance

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