

34:1B-112

LEGISLATIVE HISTORY CHECKLIST
Compiled by the NJ State Law Library

NJSA: 34:1B-112 (Business Assistance Grants)
LAWS OF: 1996 **CHAPTER:** 25
BILL NO: A1414
SPONSOR(S): Azzolina and others
DATE INTRODUCED: January 29, 1996
COMMITTEE: **ASSEMBLY:** Appropriations
SENATE: Budget
AMENDED DURING PASSAGE: Yes Amendments during passage
Second reprint enacted denoted by superscript numbers
DATE OF PASSAGE: **ASSEMBLY:** February 8, 1996
SENATE: March 21, 1996
DATE OF APPROVAL: May 9, 1996

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes
COMMITTEE STATEMENT: **ASSEMBLY:** Yes
SENATE: Yes
FISCAL NOTE: No
VETO MESSAGE: No
MESSAGE ON SIGNING: No
FOLLOWING WERE PRINTED:
REPORTS: No
HEARINGS: No

For background see:

- 974.90 New Jersey. Legislature. Assembly. Task Force on Business
E19 Retention, Expansion and Export Opportunities.
1994a A new tide of change: blueprint for growth. August 15, 1994.
Trenton, 1994.
- 974.90 New Jersey. Legislature. Assembly Task Force on Business
E19 Retention, Expansion and Export Opportunities.
1994b A new tide change: blueprint for growth. Executive Summary.
August 1994, Trenton, 1994.
- 974.90 New Jersey. Legislature. Assembly Task Force on Business
E19 Retention, Expansion and Export Opportunities.
1994e Meetings held 3-29-94, 5-18-94, 6-14-94, Warren, Trenton,
1994.
- 974.90 New Jersey. Economic Master Plan Commission.
E19 Short and long term recommendations. 1994.
1994g

P.L. 1996, CHAPTER 25, *approved May 9, 1996*
Assembly No. 1414 (*Second Reprint*)

1 AN ACT creating the "Business Relocation Assistance Grant Program"
2 and making an appropriation therefor.

3

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

6

7 1. This act shall be known and may be cited as the "Business
8 Relocation Assistance Act."

9

10 2. As used in this act:

11 "Business relocation grant" or "grant" means a grant provided to
12 fund a portion of ²**[the employer's]**² relocation costs pursuant to this
13 act;

14 "Commissioner" means the Commissioner of the Department of
15 Commerce and Economic Development;

16 "Department" means the Department of Commerce and Economic
17 Development;

18 ²**["Employer" or "business"]** "Business"² means any employer
19 subject to the provisions of R.S.43:21-1 et seq. and may include a sole
20 proprietorship, a partnership, or a corporation that has made an
21 election under Subchapter S of Chapter One of Subtitle A of the
22 Internal Revenue Code of 1986, or any other business entity through
23 which income flows as a distributive share to its owners, limited
24 liability company, nonprofit corporation, or any other form of business
25 organization located either within or outside the State ², including a
26 cooperative association². A grant received under this act by a
27 partnership, Subchapter S-Corporation, or other such business entity
28 shall be apportioned among the persons to whom the income or profit
29 of the partnership, Subchapter S-Corporation, or other entity is
30 distributed, in the same proportions as those in which the income or
31 profit is distributed ². "Cooperative association" shall include
32 financial, stock or commodities exchanges² ;

33 "Full-time employee" means a person who is employed for
34 consideration for at least thirty-five hours a week, or who renders any
35 other standard of service generally accepted by custom or practice as
36 full-time employment, provided that a person ²**[is]** shall be² determined
37 by the department to be employed in a permanent position in

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted January 29, 1996.

² Senate SBA committee amendments adopted March 18, 1996.

1 accordance with criteria developed by the department ¹. In
2 determining if employees are full-time, the commissioner shall give
3 greater consideration ²[when the]to² employees ²who² earn an average
4 of at least 1.5 times the minimum ²hourly² wage¹;

5 "New business location" means the premises that the ²[employer]
6 business² has either purchased or built or for which the ²[employer]
7 business² has entered into a written lease for a period of no less than
8 eight years from the date of relocation;

9 "New full-time job" means a job ²held by a full-time employee² that
10 did not exist ²in this State² prior to the ²[employer or]² business
11 relocating to the new business location ²[, held by a full-time
12 employee]²;

13 "New income tax revenue" means the total amount withheld by the
14 business during the taxable year from the wages of employees in new
15 full-time jobs pursuant to the "New Jersey Gross Income Tax Act,"
16 N.J.S.54A:1-1 et seq., as certified by the Director of the Division of
17 Taxation;

18 "Program" means the Business Relocation Assistance ²Grant²
19 Program created pursuant to this act;

20 "Relocation costs" means the costs incurred by the ²[employer or]²
21 business in moving and installing furniture, files, office equipment or
22 other machinery or equipment in the new business location; the cost
23 of installation of telephones and other communication equipment; and
24 the cost incurred in the purchase of office furniture and fixtures; and

25 "Total allowable relocation costs" means the lesser of total
26 relocation costs or \$400 times the number of new full-time jobs
27 created.

28

29 3. The Business Relocation Assistance ² Grant² Program is hereby
30 established in the Department of Commerce and Economic
31 Development and shall be administered by the Commissioner of the
32 Department of Commerce and Economic Development. The purpose
33 of the program is to encourage economic development and job
34 creation. To implement that purpose, and to the extent that funding
35 for the program is available, the program may provide grants in an
36 amount up to and including fifty percent of the total allowable
37 relocation costs, but in no case shall the amount of an individual grant
38 exceed 80% of the projected new income tax revenues from the new
39 jobs created by a grant applicant.

40

41 4. To qualify for a grant, a business shall:

42 a. relocate a minimum of 25 new full-time jobs to this State; or
43 b. move to expanded facilities within the State and create a
44 minimum of 25 new full-time jobs in the State.

45

46 5. Each ²[employer] business² seeking a grant shall submit an

1 application to the commissioner in a form and manner prescribed in
2 regulations adopted by the commissioner. The application must be
3 submitted to the department for approval at least 45 days prior to
4 moving to the new business location. The application shall include:

5 a. A schedule of short-term and long-term employment projections
6 of the ²[employer or]² business in the State based upon the relocation;

7 b. An estimate of the projected relocation costs;

8 c. Terms of any lease agreements or details of the purchase or
9 building of the new business location;

10 d. An estimate of the projected new income tax revenues resulting
11 from the relocation;

12 e. A description of the type of contribution the ²[employer]
13 business² can make to the long-term growth of the State's economy;
14 and

15 f. Any other necessary and relevant information as determined by
16 the commissioner.

17 The commissioner may provide whatever assistance ²[he deems]
18 deemed² appropriate in the preparation of an application and may
19 issue grants at ²[his] the commissioner's² discretion subject to the
20 provisions of this act.

21 ²A cooperative association may apply, in one consolidated
22 application on a form and in a manner determined by the
23 commissioner, for a grant on its own behalf as a business and for
24 grants on behalf of the members of the association who may qualify
25 under this act. If a cooperative association is applying for grants on
26 behalf of its members, the members for whom the application is
27 submitted shall assign to the association any claim of right the
28 members may have under this act to apply for grants individually, and
29 shall agree to cooperate with the association in providing to the
30 commissioner all the information required for the initial application
31 and any other information the commissioner may require for the
32 purposes of this act. If a cooperative association applies for a grant
33 on behalf of its members, the members included in the application may
34 be permitted to meet the qualifications for a grant collectively, the
35 amount of a grant for the members shall be calculated as if the
36 members included in the application are one business entity, and any
37 restrictions on the qualification for a grant shall apply to each member
38 for whom an application for a grant is submitted. The grants awarded
39 shall be paid in a lump sum to the cooperative association. A grant
40 received under this act by a cooperative association may be
41 apportioned to the members of the association in a manner determined
42 by the association.²

43
44 6. No amount shall be disbursed to a recipient ²[employer]² as a
45 grant under this act in any year until the State Treasurer has certified
46 that the amount of new income tax revenue received in that year by the

1 Division of Taxation from the ²[employer] business² equals or
2 exceeds the amount of the grant.

3

4 7. a. ²[An employer] A business² that is receiving a business
5 employment incentive grant pursuant to the provisions of P.L. , c.
6 (C.)(now before the Legislature as Senate Bill No. ²[2391] 471² or
7 Assembly Bill No. ²[3210 ACS of 1995] 1415 of 1996²) shall not be
8 eligible to receive a grant under this act except upon the approval of
9 the State Treasurer.

10 b. ²[An employer] A business² that is receiving any other grant by
11 operation of State law shall not receive an amount as a grant pursuant
12 to this act which, when combined with such other grants, exceeds 80%
13 of ²[its] the² new income tax revenue² generated by employees in new
14 full-time jobs², except upon the approval of the State Treasurer.
15 Amounts received as grants from the Office of Customized Training
16 pursuant to the "1992 New Jersey Employment and Workforce
17 Development Act," P.L.1992, c.43 (C.34:15D-1 et seq.) ²,² shall be
18 excluded from the calculation of the total amount permitted under this
19 subsection.

20

21 8. The commissioner shall, after consultation with the Division of
22 Taxation, pursuant to the "Administrative Procedure Act," P.L.1968,
23 c.410 (C.52:14B-1 et seq.), adopt rules and regulations necessary to
24 govern the proper conduct and operation of the program consistent
25 with the provisions of this act including, but not limited to, a
26 procedure for recapturing relocation grants awarded pursuant to this
27 act in those cases in which the commissioner determines that the
28 business receiving the grant fails to meet or comply with any condition
29 or requirement attached by the commissioner to the receipt of the
30 grant or included in rules and regulations adopted by the commissioner
31 governing the implementation of the program. ²The rules also shall
32 include the procedures to clarify the application of the various
33 provisions of this act to cooperative associations that submit
34 applications on behalf of their members.² The Director of the Division
35 of Taxation is authorized to promulgate such rules and regulations as
36 may be necessary to effect the tax related provisions of the program.

37

38 9. As determined by the commissioner, ²[any employer or] a²
39 business which is awarded a grant under this act shall submit a copy
40 of ²[its] the² State tax return ²for the business² showing business
41 income or activity, appropriate to its form of ownership, to the
42 commissioner. Failure to submit a copy of this document may result
43 in the suspension or termination of a grant.

44

45 10. The commissioner shall prepare and transmit to the Governor
46 and the Legislature on or before November 1st of each year, a report

1 concerning the impact of the program on job creation in the State.

2

3 11. The department shall conduct a study to determine the
4 minimum funding level required to successfully implement this
5 program. The study shall fully consider the rate of return for each job
6 relocation in the State as a result of the relocation grants.

7

8 12. ²~~For the fiscal year beginning July 1, 1995, there~~ There² is
9 appropriated to the Department of Commerce and Economic
10 Development from the General Fund such sums as may be necessary,
11 as certified by the Commissioner and the Director of the Division of
12 Budget and Accounting, to fund business relocation grants made under
13 this act, the amount of which shall not exceed the new income tax
14 revenues as defined in section 2 of this act.

15

16 13. This act shall take effect immediately.

17

18

19

20

21 _____
22 Creates the "Business Relocation Assistance Grant Program" and
makes an appropriation therefor.

[Second Reprint]
ASSEMBLY, No. 1414

STATE OF NEW JERSEY

INTRODUCED JANUARY 29, 1996

By Assemblymen AZZOLINA, GEIST, Malone, Asselta,
LeFevre, Blee and Assemblywoman Allen

1 AN ACT creating the "Business Relocation Assistance Grant Program"
2 and making an appropriation therefor.

3

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

6

7 1. This act shall be known and may be cited as the "Business
8 Relocation Assistance Act."

9

10 2. As used in this act:

11 "Business relocation grant" or "grant" means a grant provided to
12 fund a portion of ²**[the employer's]**² relocation costs pursuant to this
13 act;

14 "Commissioner" means the Commissioner of the Department of
15 Commerce and Economic Development;

16 "Department" means the Department of Commerce and Economic
17 Development;

18 ²**["Employer" or "business"]** "Business"² means any employer
19 subject to the provisions of R.S.43:21-1 et seq. and may include a sole
20 proprietorship, a partnership, or a corporation that has made an
21 election under Subchapter S of Chapter One of Subtitle A of the
22 Internal Revenue Code of 1986, or any other business entity through
23 which income flows as a distributive share to its owners, limited
24 liability company, nonprofit corporation, or any other form of business
25 organization located either within or outside the State ², including a
26 cooperative association². A grant received under this act by a
27 partnership, Subchapter S-Corporation, or other such business entity
28 shall be apportioned among the persons to whom the income or profit
29 of the partnership, Subchapter S-Corporation, or other entity is
30 distributed, in the same proportions as those in which the income or

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted January 29, 1996.

² Senate SBA committee amendments adopted March 18, 1996.

1 profit is distributed ². "Cooperative association" shall include
2 financial, stock or commodities exchanges² ;

3 "Full-time employee" means a person who is employed for
4 consideration for at least thirty-five hours a week, or who renders any
5 other standard of service generally accepted by custom or practice as
6 full-time employment, provided that a person ²[is] shall be ²
7 determined by the department to be employed in a permanent position
8 in accordance with criteria developed by the department ¹. In
9 determining if employees are full-time, the commissioner shall give
10 greater consideration ²[when the]to² employees ²who² earn an
11 average of at least 1.5 times the minimum ²hourly² wage¹;

12 "New business location" means the premises that the ²[employer]
13 business² has either purchased or built or for which the ²[employer]
14 business² has entered into a written lease for a period of no less than
15 eight years from the date of relocation;

16 "New full-time job" means a job ²held by a full-time employee² that
17 did not exist ²in this State² prior to the ²[employer or]² business
18 relocating to the new business location ²[, held by a full-time
19 employee]²;

20 "New income tax revenue" means the total amount withheld by the
21 business during the taxable year from the wages of employees in new
22 full-time jobs pursuant to the "New Jersey Gross Income Tax Act,"
23 N.J.S.54A:1-1 et seq., as certified by the Director of the Division of
24 Taxation;

25 "Program" means the Business Relocation Assistance ²Grant²
26 Program created pursuant to this act;

27 "Relocation costs" means the costs incurred by the ²[employer or]²
28 business in moving and installing furniture, files, office equipment or
29 other machinery or equipment in the new business location; the cost
30 of installation of telephones and other communication equipment; and
31 the cost incurred in the purchase of office furniture and fixtures; and

32 "Total allowable relocation costs" means the lesser of total
33 relocation costs or \$400 times the number of new full-time jobs
34 created.

35

36 3. The Business Relocation Assistance ² Grant² Program is hereby
37 established in the Department of Commerce and Economic
38 Development and shall be administered by the Commissioner of the
39 Department of Commerce and Economic Development. The purpose
40 of the program is to encourage economic development and job
41 creation. To implement that purpose, and to the extent that funding
42 for the program is available, the program may provide grants in an
43 amount up to and including fifty percent of the total allowable
44 relocation costs, but in no case shall the amount of an individual grant
45 exceed 80% of the projected new income tax revenues from the new
46 jobs created by a grant applicant.

- 1 4. To qualify for a grant, a business shall:
2 a. relocate a minimum of 25 new full-time jobs to this State; or
3 b. move to expanded facilities within the State and create a
4 minimum of 25 new full-time jobs in the State.

- 5
6 5. Each ²[employer] business² seeking a grant shall submit an
7 application to the commissioner in a form and manner prescribed in
8 regulations adopted by the commissioner. The application must be
9 submitted to the department for approval at least 45 days prior to
10 moving to the new business location. The application shall include:
11 a. A schedule of short-term and long-term employment projections
12 of the ²[employer or]² business in the State based upon the relocation;
13 b. An estimate of the projected relocation costs;
14 c. Terms of any lease agreements or details of the purchase or
15 building of the new business location;
16 d. An estimate of the projected new income tax revenues resulting
17 from the relocation;
18 e. A description of the type of contribution the ²[employer]
19 business² can make to the long-term growth of the State's economy;
20 and
21 f. Any other necessary and relevant information as determined by
22 the commissioner.

23 The commissioner may provide whatever assistance ²[he deems]
24 deemed² appropriate in the preparation of an application and may
25 issue grants at ²[his] the commissioner's² discretion subject to the
26 provisions of this act.

27 ²A cooperative association may apply, in one consolidated
28 application on a form and in a manner determined by the
29 commissioner, for a grant on its own behalf as a business and for
30 grants on behalf of the members of the association who may qualify
31 under this act. If a cooperative association is applying for grants on
32 behalf of its members, the members for whom the application is
33 submitted shall assign to the association any claim of right the
34 members may have under this act to apply for grants individually, and
35 shall agree to cooperate with the association in providing to the
36 commissioner all the information required for the initial application
37 and any other information the commissioner may require for the
38 purposes of this act. If a cooperative association applies for a grant
39 on behalf of its members, the members included in the application may
40 be permitted to meet the qualifications for a grant collectively, the
41 amount of a grant for the members shall be calculated as if the
42 members included in the application are one business entity, and any
43 restrictions on the qualification for a grant shall apply to each member
44 for whom an application for a grant is submitted. The grants awarded
45 shall be paid in a lump sum to the cooperative association. A grant
46 received under this act by a cooperative association may be

1 apportioned to the members of the association in a manner determined
2 by the association.²

3

4 6. No amount shall be disbursed to a recipient ²[employer]² as a
5 grant under this act in any year until the State Treasurer has certified
6 that the amount of new income tax revenue received in that year by the
7 Division of Taxation from the ²[employer] business² equals or
8 exceeds the amount of the grant.

9

10 7. a. ²[An employer] A business² that is receiving a business
11 employment incentive grant pursuant to the provisions of P.L. , c.
12 (C.) (now before the Legislature as Senate Bill No. ²[2391] 471² or
13 Assembly Bill No. ²[3210 ACS of 1995] 1415 of 1996²) shall not be
14 eligible to receive a grant under this act except upon the approval of
15 the State Treasurer.

16 b. ²[An employer] A business² that is receiving any other grant by
17 operation of State law shall not receive an amount as a grant pursuant
18 to this act which, when combined with such other grants, exceeds 80%
19 of ²[its] the² new income tax revenue ² generated by employees in
20 new full-time jobs², except upon the approval of the State Treasurer.
21 Amounts received as grants from the Office of Customized Training
22 pursuant to the "1992 New Jersey Employment and Workforce
23 Development Act," P.L.1992, c.43 (C.34:15D-1 et seq.) ²,² shall be
24 excluded from the calculation of the total amount permitted under this
25 subsection.

26

27 8. The commissioner shall, after consultation with the Division of
28 Taxation, pursuant to the "Administrative Procedure Act," P.L.1968,
29 c.410 (C.52:14B-1 et seq.), adopt rules and regulations necessary to
30 govern the proper conduct and operation of the program consistent
31 with the provisions of this act including, but not limited to, a
32 procedure for recapturing relocation grants awarded pursuant to this
33 act in those cases in which the commissioner determines that the
34 business receiving the grant fails to meet or comply with any condition
35 or requirement attached by the commissioner to the receipt of the
36 grant or included in rules and regulations adopted by the commissioner
37 governing the implementation of the program. ²The rules also shall
38 include the procedures to clarify the application of the various
39 provisions of this act to cooperative associations that submit
40 applications on behalf of their members.² The Director of the Division
41 of Taxation is authorized to promulgate such rules and regulations as
42 may be necessary to effect the tax related provisions of the program.

43

44 9. As determined by the commissioner, ²[any employer or] a²
45 business which is awarded a grant under this act shall submit a copy

1 of ²[its] the² State tax return ²for the business² showing business
2 income or activity, appropriate to its form of ownership, to the
3 commissioner. Failure to submit a copy of this document may result
4 in the suspension or termination of a grant.

5

6 10. The commissioner shall prepare and transmit to the Governor
7 and the Legislature on or before November 1st of each year, a report
8 concerning the impact of the program on job creation in the State.

9

10 11. The department shall conduct a study to determine the
11 minimum funding level required to successfully implement this
12 program. The study shall fully consider the rate of return for each job
13 relocation in the State as a result of the relocation grants.

14

15 12. ²[For the fiscal year beginning July 1, 1995, there] There² is
16 appropriated to the Department of Commerce and Economic
17 Development from the General Fund such sums as may be necessary,
18 as certified by the Commissioner and the Director of the Division of
19 Budget and Accounting, to fund business relocation grants made under
20 this act, the amount of which shall not exceed the new income tax
21 revenues as defined in section 2 of this act.

22

23 13. This act shall take effect immediately.

24

25

26

27

28 Creates the "Business Relocation Assistance Grant Program" and
29 makes an appropriation therefor.

1 regulations as may be necessary to effect the tax related provisions of
2 the program.

3

4 9. As determined by the commissioner, any employer or business
5 which is awarded a grant under this act shall submit a copy of its State
6 tax return showing business income or activity, appropriate to its form
7 of ownership, to the commissioner. Failure to submit a copy of this
8 document may result in the suspension or termination of a grant.

9

10 10. The commissioner shall prepare and transmit to the Governor
11 and the Legislature on or before November 1st of each year, a report
12 concerning the impact of the program on job creation in the State.

13

14 11. The department shall conduct a study to determine the
15 minimum funding level required to successfully implement this
16 program. The study shall fully consider the rate of return for each job
17 relocation in the State as a result of the relocation grants.

18

19 12. For the fiscal year beginning July 1, 1995, there is appropriated
20 to the Department of Commerce and Economic Development from the
21 General Fund such sums as may be necessary, as certified by the
22 Commissioner and the Director of the Division of Budget and
23 Accounting, to fund business relocation grants made under this act, the
24 amount of which shall not exceed the new income tax revenues as
25 defined in Section 2 of this act.

26

27 13. This act shall take effect immediately.

28

29

30

STATEMENT

31

32 The bill establishes a Business Relocation Assistance Grant program
33 within the Department of Commerce and Economic Development to
34 encourage economic development and job creation in this State. To
35 the extent that funding is available from the General Fund, and with
36 certain other restrictions, the program will provide grants for up to
37 fifty percent of the cost of relocation to businesses which relocate to
38 the State and create a minimum of 25 new full-time jobs in the State.
39 However, an individual grant may not exceed 80% of the projected
40 new income tax revenues realized from the new jobs created by the
41 grant applicant.

42 The grants under this bill will not be disbursed in any year until the
43 new income tax revenues equal or exceed the amount of the grant, and
44 grant amounts are further limited by their interaction with other grant
45 programs.

46 The bill makes a fiscal year 1996 General Fund appropriation to the

1 Department of Commerce and Economic Development of an
2 unspecified amount as needed to fund relocation grants made under
3 this bill; the amount of the appropriation may not exceed the amount
4 of income tax revenues generated from the new jobs created by the
5 grant recipients.
6
7
8 _____
9
10 Creates the "Business Relocation Assistance Grant Program" and
11 makes an appropriation therefor.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1414

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 29, 1996

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1414, with committee amendments.

Assembly Bill No. 1414, as amended, establishes a Business Relocation Assistance Grant program within the Department of Commerce and Economic Development to encourage economic development and job creation in this State. To the extent that funding is available from the General Fund, and with certain other restrictions, the program will provide grants for up to fifty percent of the cost of relocation to businesses which relocate to the State and create a minimum of 25 new full-time jobs in the State. However, an individual grant may not exceed 80% of the projected new income tax revenues realized from the new jobs created by the grant applicant.

The grants under this bill will not be disbursed in any year until the new income tax revenues equal or exceed the amount of the grant, and grant amounts are further limited by their interaction with other grant programs under amendments adopted by the committee.

This bill, as amended and reported by this committee, is identical to Senate Bill No. 472 Sca.

FISCAL IMPACT:

The bill makes a fiscal year 1996 General Fund appropriation to the Department of Commerce and Economic Development of an unspecified amount as needed to fund relocation grants made under this bill; the amount of the appropriation may not exceed the amount of income tax revenues generated from the new jobs created by the grant recipients.

The Office of Legislative Services cannot project the number of new jobs that will be created by the bill, the wage levels of those jobs and the number of businesses that would have relocated to the State without grant assistance. An estimate of the cost of the program cannot be made at this time.

COMMITTEE AMENDMENTS:

The committee amendments clarify that greater weight is to be given to the consideration of "full-time employee" when the employee in question earns an average of at least 1.5 times the minimum wage.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

【First Reprint】

ASSEMBLY, No. 1414

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MARCH 18, 1996

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 1414 (1R) with amendments.

Assembly Bill No. 1414 (1R), as amended, establishes a Business Relocation Assistance Grant program within the Department of Commerce and Economic Development to encourage economic development and job creation in this State. To the extent that funding is available from the General Fund, and with certain other restrictions, the program will provide grants for up to fifty percent of the cost of relocation to businesses which relocate to the State and create a minimum of 25 new full-time jobs in the State. However, an individual grant may not exceed 80% of the projected new income tax revenues realized from the new jobs created by the grant applicant.

The grants under this bill will not be disbursed in any year until the new income tax revenues equal or exceed the amount of the grant, and grant amounts are further limited by their interaction with other grant programs.

As amended and reported, this bill is identical to Senate Bill No. 472 (1R) of 1996 (Ciesla/Kyrillos), as amended and reported by this committee on March 18, 1996.

COMMITTEE AMENDMENTS:

The committee amendments include a provision in section 5 of the bill that will allow cooperative associations to apply for grants under this bill on behalf of their members. Cooperative association as used in the bill includes financial, stock or commodities exchanges.

The remaining amendments are technical in nature to clarify the wording in the bill.

FISCAL IMPACT:

The bill makes a fiscal year 1996 General Fund appropriation to the Department of Commerce and Economic Development of an unspecified amount as needed to fund relocation grants made under

this bill; the amount of the appropriation may not exceed the amount of income tax revenues generated from the new jobs created by the grant recipients.

The Office of Legislative Services cannot project the number of new jobs that will be created by the bill, the wage levels of those jobs and the number of businesses that would have relocated to the State without grant assistance. Therefore, an estimate of the cost of the program cannot be made at this time.