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("New Jersey Purchase First Program"--establishes)

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Corodemus and others

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Natural Resources

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Yes Yes

FISCAL NOTE:

No

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No

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Yes

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REPORTS:

Yes

**HEARINGS:** Yes

974.90 New Jersey. Legislature. Assembly. Task Force on Business

Retention, Expansion & Export Opportunities. E19

1994a A new tide of change: blueprint for growth. August, 1994.

Trenton, 1994.

[see especially pp. 59, 80-81, 91-92]

974.90 Legislature. Assembly. Task Force on Business New Jersey.

E19 Retention, Expansion & Export Opportunities.

1994b A new tide of change: blueprint for growth. Executive

Summary, August, 1994. Trenton, 1994.

[see especially Recommendation 20]

New Jersey. 974.90 Legislature. Assembly. Task Force on Business

Retention, Expansion & Export Opportunities. E19

Meetings, held 3-29-94, 5-18-94 & 6-14-94, Warren, Trenton, 1994e

974.90 New Jersey. Economic Master Plan Commission.

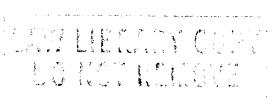
Short and long term recommendations for economic improvement. E19

Trenton, 1994. 1994g

See newspaper clippings--attached:

"Whitman signs bills to help businesses," 8-15-95, Asbury Park Press.

KBG:pp



# [SECOND REPRINT] ASSEMBLY, No. 57

### STATE OF NEW JERSEY

#### INTRODUCED DECEMBER 15, 1994

By Assemblymen CORODEMUS, ROMA, Assemblywoman Heck, Assemblymen Felice, Gibson, Asselta and Warsh

AN ACT to establish a program in the New Jersey Department of Commerce and Economic Development to promote and develop markets for State goods and services through the use of State and regional business directories, amending and supplementing Title 52 of the Revised Statutes.

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

- 1. (New section) This amendatory and supplementary act shall be known and may be cited as the "New Jersey Purchase First Program Act."
  - 2. (New section) The Legislature finds and declares that:
- a. Hearings held by the General Assembly Task Force on Business Retention, Expansion and Export Opportunities revealed that many companies buy products or services from out-of-state businesses because they are unaware that such goods or services are available from companies within this State, often at a substantial discount from the costs of purchasing the same goods or services from out-of-state companies;
- b. While the Division of International Trade in the Department of Commerce and Economic Development has developed directories useful for trade purposes which highlight certain selected industries in this State, cutbacks in staff and the limited resources of the department impede its efforts to develop and promote a more comprehensive set of State and regional business directories that could promote the sale of New Jersey's goods and services to other companies within the State as well as to companies in other states and foreign locations; 2 and 2
- c. Given the importance to the State's economy of encouraging the purchase of goods and services from New Jersey businesses, it is in the public interest for the State to place a priority on <sup>2</sup>encouraging<sup>2</sup> the development and use of comprehensive business directories and to undertake <sup>1</sup>[a]<sup>1</sup> public-private <sup>1</sup>[partnership to promote] cooperation in promoting<sup>1</sup> the purchase of products and services produced in this State.
- 3. (New section) There is established, within the Department of Commerce and Economic Development, hereinafter "the department," the New Jersey Purchase First Program, hereinafter "the program." The purpose of the program shall be to promote and develop markets for New Jersey's goods and services by <sup>1</sup>[producing] encouraging private sector businesses to

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

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produce and distribute<sup>1</sup> comprehensive State and regional business directories <sup>1</sup>, hereinafter, the "directories," <sup>1</sup> and by coordinating its efforts with privately funded campaigns to stimulate and encourage businesses and industries to buy goods and services produced in this State. The program shall be administered by the department in consultation with the New Jersey Economic Development Authority established pursuant to section 4 of P.L.1974, c.80 (C.34:1B-4).

4. (New section) a. In order to implement the purpose of the program, the department shall, within one year of the effective date of this amendatory and supplementary act, <sup>1</sup>[develop a State directory and regional directories of New Jersey businesses, hereinafter, the "directories." In developing the directories, the department shall consult with consult with New Jersey business groups in order to develop ways to stimulate the development of directories by the private sector. The groups to be consulted may include<sup>2</sup>,<sup>2</sup> but need not be limited to,<sup>1</sup> the New Jersey Business and Industry Association, the New Jersey State Chamber of Commerce, 1the South Jersey Chamber of Commerce, 1 municipal chambers of commerce, State and local economic development agencies, other local business groups, regional offices of the department <sup>1</sup>[and industry-specific groups or networks], private sector non-profit entities organized to promote economic development in the State, and community college associations.

The department shall provide advice, based on its experience in producing departmental business directories, to business and trade groups and associations in order to facilitate the development of comprehensive business directories, to the greatest extent possible, through private sector financing. 1

- b. The directories shall include, but not necessarily be limited to. a catalog of New Jersey manufacturing, supply, distribution and service businesses by product or service description, as appropriate, in a manner to be determined by the commissioner of the department 2 in consultation with the business groups enumerated in subsection a. of this section<sup>2</sup>. <sup>1</sup>[The directories shall be updated no later than every three years.]<sup>1</sup> The directories shall be available for purchase by businesses throughout the State and outside the State.
- c. The department shall <sup>1</sup>[, in conjunction with regional private partnerships,] encourage private sector businesses, private sector non-profit entities, regional groups or partnerships and industry sector networks to 1 make the directories available as soon as practicable and 1[shall] to1 implement steps to inform the business community throughout the State of the benefits of using the directories to purchase goods and services from New Jersey businesses. <sup>2</sup>As used in this section, "industry sector network" means clusters of two or more businesses that are (1) within an industry that makes or could make an important contribution to the economy of the State, which may include, but need not be limited to, healthcare, pharmaceuticals, chemicals, communications, telecommunications, electronics, software, insurance, tourism, transportation, construction, agriculture, and biotechnology, and (2) working jointly to manufacture, sell or market products, develop technologies or create or disseminate

#### information.2

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- 5. Section 21 of P.L.1981, c.122 (C.52:27H-20) is amended to read as follows:
  - 21. The Division of Economic Development shall:
- a. Promote and encourage the location and development of new business, industry, and commerce in the State as well as the maintenance and expansion of existing business, industry, and commerce;
- b. Promote and encourage the expansion and development of markets for products and services of New Jersey businesses and industries. In promoting and encouraging the expansion and development of those markets, the division shall place a priority on using <sup>1</sup>[the] any<sup>1</sup> business directories developed pursuant to section 4 of P.L., c. (C.) (now before the Legislature as this bill) to stimulate the purchase of goods and services produced by New Jersey businesses and industries and shall, to the extent feasible, seek to coordinate the "New Jersey Purchase First Program" established pursuant to section 3 of P.L., c. (C.) (now before the Legislature as this bill) with partnership campaigns which are privately funded or otherwise supported to promote the purchase of goods and services produced in the State;
- c. Conduct or encourage research designed to further new and more extensive uses of the resources of the State, and designed to develop new products and industrial processes;
- d. Cooperate with business service organizations, utility companies, railroads, financial institutions and similar groups and agencies actively engaged in economic development within the State and plan its program of work to supplement and support the programs of such voluntary private organizations and agencies;
- e. Advise and cooperate with municipal, county, regional and other local agencies and officers within the State, to provide guidance and assistance, when requested, in their efforts toward economic development of their respective areas, and to assist them to make an effective selection of economic promotional activities best suited to their potentialities and needs;
- f. Cooperate with other State and interstate agencies engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry and commerce; and
- g. Investigate, study, and undertake ways and means of promoting  $^2\underline{or}^2$  encouraging the prosperous development and protection of the legitimate interests and welfare of New Jersey business and industry within and outside the State.
- (cf: P.L.1981, c.122, s.21)
  - 6. (New section) Within 24 months of the effective date of this amendatory and supplementary act, the commissioner shall report to the Governor and the Legislature on the <sup>1</sup>[success] outcome<sup>1</sup> of the program authorized under this amendatory and supplementary act, <sup>1</sup>[including the cost of the program, the number of businesses assisted by the program, and any] including any<sup>1</sup> recommendations regarding the improvement and expansion of the program.
- 7. (New section) The department <sup>1</sup>[may, by rule or regulation adopted] may adopt <sup>1</sup> <sup>2</sup>, <sup>2</sup> pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),

#### A57 [2R]

<sup>1</sup>[establish such fees, to be charged for copies of the directories and updates thereof, as are necessary to defray the costs of researching, compiling, publishing and distributing the directories] rules and regulations as may be necessary to effectuate the purposes of this amendatory and supplementary act<sup>1</sup>.

8. This act shall take effect immediately.

Establishes "New Jersey Purchase First Program;" requires
DCED to promote development of State and regional business
directories by private sector and purchase of State products.

- e. Advise and cooperate with municipal, county, regional and other local agencies and officers within the State, to provide guidance and assistance, when requested, in their efforts toward economic development of their respective areas, and to assist them to make an effective selection of economic promotional activities best suited to their potentialities and needs;
- f. Cooperate with other State and interstate agencies engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry and commerce; and
- g. Investigate, study, and undertake ways and means of promoting encouraging the prosperous development and protection of the legitimate interests and welfare of New Jersey business and industry within and outside the State.

(cf: P.L.1981, c.122, s.21)

- 6. (New section) Within 24 months of the effective date of this amendatory and supplementary act, the commissioner shall report to the Governor and the Legislature on the success of the program authorized under this amendatory and supplementary act, including the cost of the program, the number of businesses assisted by the program, and any recommendations regarding the improvement and expansion of the program.
- 7. (New section) The department may, by rule or regulation adopted pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), establish such fees, to be charged for copies of the directories and updates thereof, as are necessary to defray the costs of researching, compiling, publishing and distributing the directories.
  - 8. This act shall take effect immediately.

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#### **STATEMENT**

 This bill establishes the "New Jersey Purchase First Program" within the Department of Commerce and Economic Development. To implement the program, the bill requires the department to develop State and regional directories of New Jersey businesses, organized by product or service description, as appropriate, for purchase by businesses throughout the State. The bill also requires the department to coordinate the "New Jersey Purchase First Program," to the extent feasible, with privately funded programs to promote the purchases of goods and services produced in the State.

The bill also requires the department to report to the Governor and the Legislature, within 24 months of the effective date of the bill, on the success of the program and to make recommendations regarding the improvement and expansion of its efforts to promote the purchase of goods and services produced within New Jersey.

Establishes "New Jersey Purchase First Program," requiring development of State and regional business directories and coordination with privately funded efforts to promote New Jersey's goods and services.

## ASSEMBLY ECONOMIC DEVELOPMENT, AGRICULTURE, AND MILITARY AND VETERANS' AFFAIRS COMMITTEE

STATEMENT TO

## ASSEMBLY, No. 57

with committee amendments

#### STATE OF NEW JERSEY

DATED: JANUARY 19, 1995

The Assembly Economic Development, Agriculture and Military and Veterans' Affairs Committee reports favorably Assembly Bill No. 57, with committee amendments.

As amended, this bill establishes the "New Jersey Purchase First Program" within the Department of Commerce and Economic Development. To implement the program, the bill requires the department to encourage private sector businesses to produce and distribute State and regional directories of New Jersey businesses, organized by product or service description, as appropriate, for purchase by businesses throughout the State. The bill also requires the department to coordinate the "New Jersey Purchase First Program," to the extent feasible, with privately funded programs to promote the purchases of goods and services produced in the State.

The bill also requires the department to report to the Governor and the Legislature, within 24 months of the effective date of the bill, on the outcome of the program and to make recommendations regarding the improvement and expansion of its efforts to promote the purchase of goods and services produced within New Jersey.

The committee amended the bill to clarify that the department is not responsible for financing the production and distribution of business directories. The committee amendments limit the department's role to providing advice as a consultant to private businesses in order to stimulate the development of the directories solely by the private sector.

# SENATE NATURAL RESOURCES, TRADE AND ECONOMIC DEVELOPMENT COMMITTEE

STATEMENT TO

[FIRST REPRINT]
ASSEMBLY, No. 57

with committee amendments

#### STATE OF NEW JERSEY

**DATED: MARCH 20, 1995** 

The Senate Natural Resources, Trade and Economic Development Committee favorably reports Assembly Bill No. 57 [1R], with committee amendments.

This bill establishes the "New Jersey Purchase First Program" within the Department of Commerce and Economic Development. To implement the program, the bill requires the department to encourage private sector businesses to produce and distribute State and regional directories of New Jersey businesses, organized by product or service description, as appropriate, for purchase by businesses throughout the State. The bill also requires the department to coordinate the "New Jersey Purchase First Program," to the greatest extent feasible, with privately funded programs to promote the purchases of goods and services produced in the State.

The bill also requires the department to report to the Governor and the Legislature, within 24 months of the effective date of the bill, on the outcome of the program and to make recommendations regarding the improvement and expansion of its efforts to promote the purchase of goods and services produced within New Jersey.

The committee amendments add language to clarify that the contents of directories produced pursuant to the bill are determined by the commissioner of Commerce and Economic Development, in consultation with business groups enumerated in the bill. The amendments also define the term "industry sector networks," so that the term has a meaning consistent with other bills in this economic development package. As amended, this bill is identical to Senate Bill No. 1768, which was also amended and favorably reported by the committee.



# OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001

Contact: BECKY TAYLOR

777-2600

TRENTON, N.J. 08625

Release: MUGUST 14, 1995

Gov. Christie Whitman today signed six business empowerment bills that will provide opportunities to strengthen New Jersey's business climate by making government agencies more responsive and more accessible to local businesses through programs implemented by the Department of Commerce and Economic Development and the Economic Development Authority.

The bills implement recommendations of the Assembly Task Force on Business Retention, Expansion and Export Opportunities. This bipartisan task force was chaired by Assemblyman Joseph Azzolina (R-Middlesex/Monmouth) and included New Jersey business exacutives from diverse industries, members of the academic community and other representatives from the private and public sectors.

"These bills help us keep New Jersey open for business," said Gov. Whitman. "They will help empower business in our state to expand, grow and succeed."

A12, sponsored by Assemblyman Azzolina and Assemblywoman Maureen Ogden (R-Essex/Union), establishes a public-private regional field office pilot program to promote business retention, attraction and expansion. The pilot will serve as a model for a permanent network of regional field offices, which would work with the Department of Commerce to monitor businesses on the local level and to develop customized "incentive packages" to improve the state's overall business climate.

The Governor line-item vetoed a \$75,000 appropriation from the bill because the program can be implemented using existing department resources, supplemented by the private sector.

A14/S1775, sponsored by Assemblyman Patrick J. Roma (R-Bergen) and George F. Geist (R-Camden/Gloucester) and Senator John P. Scott (R-Bergen/Essex/Passaic), directs the EDA to establish the "New Jersey Micro-Business Assistance Program" to provide financial, technical and training assistance to qualified small businesses.

A17, sponsored by Assemblyman Geist and Leroy J. Jones Jr. (D-Essex), creates industry sector networks to address industry related problems.

-more-

BILLS AUGUST 14, 1995 PAGE TWO

A18/S1770, sponsored by Assemblyman Steve Corodemus (R-Monmouth), Assemblywoman Ogden and Senators Scott and Dick LaRossa (R-Mercer), authorizes the Department of Commerce to establish relocation missions in other states and in foreign countries to attract business to New Jersey.

A19/S1766, sponsored by Assemblymen Azzolina and Corodemus and Senators Joseph Kyrillos Jr. (R-Middlesex/Monmouth) and Jack Sinagra (R-Middlesex), authorizes EDA and other public entities to finance the development of an export finance company to assist in export activities of small and medium sized businesses. The bill also establishes an 11-member Export Finance Company Advisory Council.

A57/S1768, sponsored by Assemblymen Corodemus and Roma and Senators Andrew R. Ciesla (R-Monmouth/Ocean) and LaRossa, establishes a "New Jersey Purchase First Program," to promote and develop new markets for New Jersey goods and services through the private sector development of state and regional business directories.