

Sec.1 Temporary & Executed; Sec.2 Appropriation

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2021 **CHAPTER:** 115

NJSA: Sec.1 Temporary & Executed; Sec.2 Appropriation (Establishes Startup Business and Nonprofit Assistance Program in EDA to support new businesses and nonprofit organizations following COVID-19 pandemic; appropriates \$25 million.)

BILL NO: A5708 (Substituted for S3795)

SPONSOR(S) Zwicker, Andrew and others

DATE INTRODUCED: 5/12/2021

COMMITTEE: **ASSEMBLY:** Appropriations

SENATE: --

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 5/20/2021

SENATE: 6/3/2021

DATE OF APPROVAL: 6/22/2021

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

A5708

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: No

LEGISLATIVE FISCAL ESTIMATE: No

S3795

INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT): Yes

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: No

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

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: Yes

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

§1
T&E
§2
Approp.

(CORRECTED COPY)
P.L. 2021, CHAPTER 115, *approved June 22, 2021*
Assembly, No. 5708

1 **AN ACT** establishing the Startup Business and Nonprofit Assistance
2 Program to support new businesses and nonprofit organizations
3 following the COVID-19 pandemic and making an appropriation.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
7

8 1. a. There is established within the authority the Startup
9 Business and Nonprofit Assistance Program. The program shall
10 provide grants to support the creation and development of new
11 businesses and nonprofit organizations following the COVID-19
12 pandemic.

13 b. When awarding grants under the program, the authority shall
14 prioritize new businesses and nonprofit organizations that
15 physically occupy commercial properties, including retail
16 storefronts, that have become vacant or under-utilized during the
17 COVID-19 pandemic. The authority shall award grants with a
18 sense of urgency to minimize the economic disruption caused by the
19 COVID-19 pandemic and to spur economic recovery following the
20 pandemic.

21 c. The authority shall issue guidance concerning the
22 distribution of program grants. At a minimum, the guidance shall:

23 (1) establish eligibility criteria for the program, provided that
24 grants shall be made available to eligible new businesses and
25 nonprofit organizations located in all areas of the State;

26 (2) provide for rolling application periods and appropriate
27 application submission deadlines;

28 (3) designate limitations on the maximum award of grants,
29 which limitations shall be sufficiently high so as to meaningfully
30 support the creation and development of new businesses and
31 nonprofit organizations;

32 (4) designate permitted uses of grant financing, which uses shall
33 be reasonably flexible to accommodate unanticipated startup
34 expenses; and

35 (5) establish criteria for the approval of program applicants,
36 which criteria shall include the priority required under subsection b.
37 of this section.

38 d. Until all available funds have been committed, the authority
39 shall conduct regular outreach efforts to publicize the availability of
40 program grants.

1 e. Within one year of the effective date of P.L. , c.
2 (pending before the Legislature as this bill), and each year
3 thereafter until all available funds have been expended, the
4 authority shall submit a report to the Governor and the Legislature,
5 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), detailing
6 the expenditure of program funds. At a minimum, the report shall
7 indicate:

8 (1) the number of businesses and nonprofit organizations that
9 applied for financial assistance;

10 (2) the number of businesses and nonprofit organizations that
11 received financial assistance;

12 (3) the amount of financial assistance provided to each
13 recipient; and

14 (4) a brief description of each recipient.

15 f. As used in this section:

16 “Authority” means the New Jersey Economic Development
17 Authority established pursuant to P.L.1974, c.80 (C.34:1B-
18 1 et seq.).

19 “New businesses and nonprofit organizations” means business
20 entities and nonprofit organizations that commenced all operations
21 after the issuance of Executive Order No. 103 of 2020, and employ
22 50 or fewer full-time employees.

23

24 2. a. There is appropriated \$25 million from the General Fund
25 to the New Jersey Economic Development Authority to support the
26 operations of the Startup Business and Nonprofit Assistance
27 Program established pursuant to section 1 of P.L. , c. (pending
28 before the Legislature as this bill).

29 b. The authority may transfer the uncommitted balance of any
30 funds appropriated under this section for the purposes of any
31 program established pursuant to P.L.2021, c.42, P.L.2021, c.43,
32 P.L.2021, c.45, P.L.2021, c.46, or P.L.2021, c.47, as well as the
33 Sustain and Serve NJ Program; provided, however, that the
34 authority shall submit notice to the Joint Budget Oversight
35 Committee no less than five calendar days before the date of the
36 transfer. At a minimum, the notice shall indicate the amount of and
37 purpose for the transferred funds.

38 c. Of the sum of all amounts appropriated from the General
39 Fund to the New Jersey Economic Development Authority in Fiscal
40 Year 2021 for Assistance to Food and Beverage Establishments,
41 Assistance to Businesses and Nonprofits, Assistance to Child Care
42 Providers, Assistance to Microbusinesses, the Sustain and Serve NJ
43 Program, and the Startup Business and Nonprofit Assistance
44 Program, the authority may retain not more than \$1 million to
45 defray administrative expenses.

46

47 3. This act shall take effect immediately.

STATEMENT

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This bill establishes a Startup Business and Nonprofit Assistance Program in the New Jersey Economic Development Authority (EDA) to support the creation and development of new businesses and nonprofit organizations following the COVID-19 pandemic. The bill also appropriates \$25 million from the General Fund to support the program.

Under the program, the EDA would provide grants to businesses and nonprofit organizations that commenced operations after the issuance of Executive Order No. 103 of 2020 (i.e., March 9, 2020), and which employ 50 or fewer full-time employees. Program grants would be awarded according to guidance issued by the EDA. However, the bill requires the EDA to prioritize new businesses and nonprofit organizations that physically occupy commercial properties, such as retail storefronts, that have become vacant or under-utilized during the COVID-19 pandemic. The bill also requires the EDA to award grants with a sense of urgency to minimize the economic disruption caused by the COVID-19 pandemic and to spur economic recovery following the pandemic.

Additionally, the bill requires the EDA to conduct regular outreach efforts to publicize the availability of financial assistance under the program. The EDA would also be required to submit an annual report to the Governor and the Legislature detailing the expenditure of program funds.

Under the bill, the EDA is permitted to transfer any uncommitted funds to certain other programs administered by the authority to address the impact of the COVID-19 pandemic. The bill also allows the EDA to retain a portion of the appropriated funds to defray administrative expenses.

Establishes Startup Business and Nonprofit Assistance Program in EDA to support new businesses and nonprofit organizations following COVID-19 pandemic; appropriates \$25 million.

ASSEMBLY, No. 5708

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman STERLEY S. STANLEY

District 18 (Middlesex)

Assemblywoman LINDA S. CARTER

District 22 (Middlesex, Somerset and Union)

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Senator VIN GOPAL

District 11 (Monmouth)

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Co-Sponsored by:

Assemblywoman Vainieri Huttel, Assemblyman Benson, Assemblywoman Swain, Assemblymen Tully, Auth, Assemblywomen DeFuccio, Downey, Assemblyman Mukherji, Assemblywoman Jimenez, Assemblymen Space, Wirths, Assemblywomen Lopez, Timberlake, Assemblymen Mazzeo, Armato, Johnson, Freiman, McKeon, Senators Beach, Brown, A.M.Bucco, Codey, Cruz-Perez, Cryan, Cunningham, Diegnan, Gill, Greenstein, Madden, Oroho, Pou, Rice, Ruiz, Sacco, Sarlo, Scutari, Singleton, B.Smith, Stack, Sweeney, Testa, Turner, Vitale and Weinberg

SYNOPSIS

Establishes Startup Business and Nonprofit Assistance Program in EDA to support new businesses and nonprofit organizations following COVID-19 pandemic; appropriates \$25 million.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/3/2021)

1 AN ACT establishing the Startup Business and Nonprofit Assistance
2 Program to support new businesses and nonprofit organizations
3 following the COVID-19 pandemic and making an appropriation.
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. a. There is established within the authority the Startup
9 Business and Nonprofit Assistance Program. The program shall
10 provide grants to support the creation and development of new
11 businesses and nonprofit organizations following the COVID-19
12 pandemic.

13 b. When awarding grants under the program, the authority shall
14 prioritize new businesses and nonprofit organizations that
15 physically occupy commercial properties, including retail
16 storefronts, that have become vacant or under-utilized during the
17 COVID-19 pandemic. The authority shall award grants with a
18 sense of urgency to minimize the economic disruption caused by the
19 COVID-19 pandemic and to spur economic recovery following the
20 pandemic.

21 c. The authority shall issue guidance concerning the
22 distribution of program grants. At a minimum, the guidance shall:

23 (1) establish eligibility criteria for the program, provided that
24 grants shall be made available to eligible new businesses and
25 nonprofit organizations located in all areas of the State;

26 (2) provide for rolling application periods and appropriate
27 application submission deadlines;

28 (3) designate limitations on the maximum award of grants,
29 which limitations shall be sufficiently high so as to meaningfully
30 support the creation and development of new businesses and
31 nonprofit organizations;

32 (4) designate permitted uses of grant financing, which uses shall
33 be reasonably flexible to accommodate unanticipated startup
34 expenses; and

35 (5) establish criteria for the approval of program applicants,
36 which criteria shall include the priority required under subsection b.
37 of this section.

38 d. Until all available funds have been committed, the authority
39 shall conduct regular outreach efforts to publicize the availability of
40 program grants.

41 e. Within one year of the effective date of P.L. , c.
42 (pending before the Legislature as this bill), and each year
43 thereafter until all available funds have been expended, the
44 authority shall submit a report to the Governor and the Legislature,
45 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), detailing
46 the expenditure of program funds. At a minimum, the report shall
47 indicate:

1 (1) the number of businesses and nonprofit organizations that
2 applied for financial assistance;

3 (2) the number of businesses and nonprofit organizations that
4 received financial assistance;

5 (3) the amount of financial assistance provided to each
6 recipient; and

7 (4) a brief description of each recipient.

8 f. As used in this section:

9 “Authority” means the New Jersey Economic Development
10 Authority established pursuant to P.L.1974, c.80 (C.34:1B-
11 1 et seq.).

12 “New businesses and nonprofit organizations” means business
13 entities and nonprofit organizations that commenced all operations
14 after the issuance of Executive Order No. 103 of 2020, and employ
15 50 or fewer full-time employees.

16

17 2. a. There is appropriated \$25 million from the General Fund
18 to the New Jersey Economic Development Authority to support the
19 operations of the Startup Business and Nonprofit Assistance
20 Program established pursuant to section 1 of P.L. , c. (pending
21 before the Legislature as this bill).

22 b. The authority may transfer the uncommitted balance of any
23 funds appropriated under this section for the purposes of any
24 program established pursuant to P.L.2021, c.42, P.L.2021, c.43,
25 P.L.2021, c.45, P.L.2021, c.46, or P.L.2021, c.47, as well as the
26 Sustain and Serve NJ Program; provided, however, that the
27 authority shall submit notice to the Joint Budget Oversight
28 Committee no less than five calendar days before the date of the
29 transfer. At a minimum, the notice shall indicate the amount of and
30 purpose for the transferred funds.

31 c. Of the sum of all amounts appropriated from the General
32 Fund to the New Jersey Economic Development Authority in Fiscal
33 Year 2021 for Assistance to Food and Beverage Establishments,
34 Assistance to Businesses and Nonprofits, Assistance to Child Care
35 Providers, Assistance to Microbusinesses, the Sustain and Serve NJ
36 Program, and the Startup Business and Nonprofit Assistance
37 Program, the authority may retain not more than \$1 million to
38 defray administrative expenses.

39

40 3. This act shall take effect immediately.

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STATEMENT

44

45 This bill establishes a Startup Business and Nonprofit Assistance
46 Program in the New Jersey Economic Development Authority
47 (EDA) to support the creation and development of new businesses
48 and nonprofit organizations following the COVID-19 pandemic.

1 The bill also appropriates \$25 million from the General Fund to
2 support the program.

3 Under the program, the EDA would provide grants to businesses
4 and nonprofit organizations that commenced operations after the
5 issuance of Executive Order No. 103 of 2020 (i.e., March 9, 2020),
6 and which employ 50 or fewer full-time employees. Program grants
7 would be awarded according to guidance issued by the EDA.
8 However, the bill requires the EDA to prioritize new businesses and
9 nonprofit organizations that physically occupy commercial
10 properties, such as retail storefronts, that have become vacant or
11 under-utilized during the COVID-19 pandemic. The bill also
12 requires the EDA to award grants with a sense of urgency to
13 minimize the economic disruption caused by the COVID-19
14 pandemic and to spur economic recovery following the pandemic.

15 Additionally, the bill requires the EDA to conduct regular
16 outreach efforts to publicize the availability of financial assistance
17 under the program. The EDA would also be required to submit an
18 annual report to the Governor and the Legislature detailing the
19 expenditure of program funds.

20 Under the bill, the EDA is permitted to transfer any uncommitted
21 funds to certain other programs administered by the authority to
22 address the impact of the COVID-19 pandemic. The bill also
23 allows the EDA to retain a portion of the appropriated funds to
24 defray administrative expenses.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5708

STATE OF NEW JERSEY

DATED: MAY 18, 2021

The Assembly Appropriations Committee reports favorably Assembly Bill No. 5708.

This bill establishes a Startup Business and Nonprofit Assistance Program in the New Jersey Economic Development Authority (EDA) to support the creation and development of new businesses and nonprofit organizations following the COVID-19 pandemic. The bill also appropriates \$25 million from the General Fund to support the program.

Under the program, the EDA would provide grants to businesses and nonprofit organizations that commenced operations after the issuance of Executive Order No. 103 of 2020 (i.e., March 9, 2020), and which employ 50 or fewer full-time employees. Program grants would be awarded according to guidance issued by the EDA. However, the bill requires the EDA to prioritize new businesses and nonprofit organizations that physically occupy commercial properties, such as retail storefronts, that have become vacant or under-utilized during the COVID-19 pandemic. The bill also requires the EDA to award grants with a sense of urgency to minimize the economic disruption caused by the COVID-19 pandemic and to spur economic recovery following the pandemic.

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Under the bill, the EDA is permitted to transfer any uncommitted funds to certain other programs administered by the authority to address the impact of the COVID-19 pandemic. The bill also allows the EDA to retain a portion of the appropriated funds to defray administrative expenses.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.

SENATE, No. 3795

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 13, 2021

Sponsored by:

Senator DAWN MARIE ADDIEGO

District 8 (Atlantic, Burlington and Camden)

Senator VIN GOPAL

District 11 (Monmouth)

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

Co-Sponsored by:

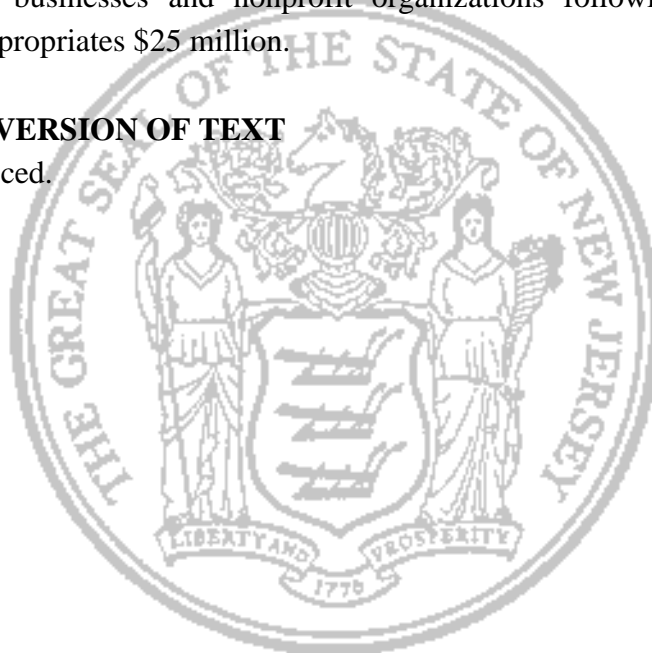
Senators Beach, Brown, A.M.Bucco, Codey, Cruz-Perez, Cryan, Cunningham, Diegnan, Gill, Greenstein, Madden, Oroho, Pou, Rice, Ruiz, Sacco, Sarlo, Scutari, Singleton, B.Smith, Stack, Sweeney, Testa, Turner, Vitale and Weinberg

SYNOPSIS

Establishes Startup Business and Nonprofit Assistance Program in EDA to support new businesses and nonprofit organizations following COVID-19 pandemic; appropriates \$25 million.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/3/2021)

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2 Program to support new businesses and nonprofit organizations
3 following the COVID-19 pandemic and making an appropriation.
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State
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9 Business and Nonprofit Assistance Program. The program shall
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22 distribution of program grants. At a minimum, the guidance shall:

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39 shall conduct regular outreach efforts to publicize the availability of
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42 (pending before the Legislature as this bill), and each year
43 thereafter until all available funds have been expended, the
44 authority shall submit a report to the Governor and the Legislature,
45 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), detailing
46 the expenditure of program funds. At a minimum, the report shall
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2 applied for financial assistance;
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4 received financial assistance;
- 5 (3) the amount of financial assistance provided to each
6 recipient; and
- 7 (4) a brief description of each recipient.
- 8 f. As used in this section:
- 9 “Authority” means the New Jersey Economic Development
10 Authority established pursuant to P.L.1974, c.80 (C.34:1B-1 et
11 seq.).
- 12 “New businesses and nonprofit organizations” means business
13 entities and nonprofit organizations that commenced all operations
14 after the issuance of Executive Order No. 103 of 2020, and employ
15 50 or fewer full-time employees.
- 16
- 17 2. a. There is appropriated \$25 million from the General Fund
18 to the New Jersey Economic Development Authority to support the
19 operations of the Startup Business and Nonprofit Assistance
20 Program established pursuant to section 1 of P.L. , c. (pending
21 before the Legislature as this bill).
- 22 b. The authority may transfer the uncommitted balance of any
23 funds appropriated under this section for the purposes of any
24 program established pursuant to P.L.2021, c.42, P.L.2021, c.43,
25 P.L.2021, c.45, P.L.2021, c.46, or P.L.2021, c.47, as well as the
26 Sustain and Serve NJ Program; provided, however, that the
27 authority shall submit notice to the Joint Budget Oversight
28 Committee no less than five calendar days before the date of the
29 transfer. At a minimum, the notice shall indicate the amount of and
30 purpose for the transferred funds.
- 31 c. Of the sum of all amounts appropriated from the General
32 Fund to the New Jersey Economic Development Authority in Fiscal
33 Year 2021 for Assistance to Food and Beverage Establishments,
34 Assistance to Businesses and Nonprofits, Assistance to Child Care
35 Providers, Assistance to Microbusinesses, the Sustain and Serve NJ
36 Program, and the Startup Business and Nonprofit Assistance
37 Program, the authority may retain not more than \$1 million to
38 defray administrative expenses.
- 39
- 40 3. This act shall take effect immediately.
- 41
- 42

43 STATEMENT

44

45 This bill establishes a Startup Business and Nonprofit Assistance
46 Program in the New Jersey Economic Development Authority
47 (EDA) to support the creation and development of new businesses
48 and nonprofit organizations following the COVID-19 pandemic.

S3795 ADDIEGO, GOPAL

4

1 The bill also appropriates \$25 million from the General Fund to
2 support the program.

3 Under the program, the EDA would provide grants to businesses
4 and nonprofit organizations that commenced operations after the
5 issuance of Executive Order No. 103 of 2020 (i.e., March 9, 2020),
6 and which employ 50 or fewer full-time employees. Program grants
7 would be awarded according to guidance issued by the EDA.
8 However, the bill requires the EDA to prioritize new businesses and
9 nonprofit organizations that physically occupy commercial
10 properties, such as retail storefronts, that have become vacant or
11 under-utilized during the COVID-19 pandemic. The bill also
12 requires the EDA to award grants with a sense of urgency to
13 minimize the economic disruption caused by the COVID-19
14 pandemic and to spur economic recovery following the pandemic.

15 Additionally, the bill requires the EDA to conduct regular
16 outreach efforts to publicize the availability of financial assistance
17 under the program. The EDA would also be required to submit an
18 annual report to the Governor and the Legislature detailing the
19 expenditure of program funds.

20 Under the bill, the EDA is permitted to transfer any uncommitted
21 funds to certain other programs administered by the authority to
22 address the impact of the COVID-19 pandemic. The bill also
23 allows the EDA to retain a portion of the appropriated funds to
24 defray administrative expenses.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 3795
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: JUNE 8, 2021

SUMMARY

Synopsis: Establishes Startup Business and Nonprofit Assistance Program in EDA to support new businesses and nonprofit organizations following COVID-19 pandemic; appropriates \$25 million.

Type of Impact: Increased State General Fund expenditure

Agencies Affected: New Jersey Economic Development Authority

Office of Legislative Services Estimate

Fiscal Impact	<u>FY 2022</u>
State Cost Increase	Up to \$25 million

- The Office of Legislative Services (OLS) finds that the bill will have a direct State cost of up to \$25 million to support the operations of the Startup Business and Nonprofit Assistance Program established in the Economic Development Authority (EDA) pursuant to the bill. The program is to provide grants to support the creation and development of new businesses and nonprofit organizations following the COVID-19 pandemic.
- The EDA may transfer any uncommitted balance of the \$25 million appropriation to fund programs established pursuant to recently-enacted statutes providing EDA assistance to certain businesses to address business economic disruptions caused by the COVID-19 pandemic, as well as the Sustain and Serve NJ Program, which increases the likelihood that the full amount of the appropriation will be expended.

BILL DESCRIPTION

This bill establishes a Startup Business and Nonprofit Assistance Program in the EDA to support the creation and development of new businesses and nonprofit organizations following the COVID-19 pandemic. The bill also appropriates \$25 million from the General Fund to support the program.

Under the program, the EDA would provide grants to businesses and nonprofit organizations that commenced operations after the issuance of Executive Order No. 103 of 2020 (i.e., March 9,

2020), and which employ 50 or fewer full-time employees. Program grants would be awarded according to guidance issued by the EDA. However, the bill requires the EDA to prioritize new businesses and nonprofit organizations that physically occupy commercial properties, such as retail storefronts, that have become vacant or under-utilized during the COVID-19 pandemic.

Additionally, the bill requires the EDA to conduct regular outreach efforts to publicize the availability of financial assistance under the program. The EDA would also be required to submit an annual report to the Governor and the Legislature detailing the expenditure of program funds.

Under the bill, the EDA is permitted to transfer any uncommitted funds to certain other programs administered by the authority to address the impact of the COVID-19 pandemic. If the EDA transfers funds, it is to submit notice to the Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. At a minimum, the notice is to indicate the amount of and purpose for the transferred funds. The bill also allows the EDA to retain a portion of the appropriated funds to defray administrative expenses.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that the bill will have a direct State cost of up to \$25 million to support the operations of the Startup Business and Nonprofit Assistance Program established in the EDA pursuant to the bill. The program is to provide grants to support the creation and development of new businesses and nonprofit organizations following the COVID-19 pandemic. The EDA may transfer the uncommitted balance of the \$25 million to fund programs established pursuant to recently-enacted statutes providing EDA assistance to certain businesses to address business economic disruptions caused by the COVID-19 pandemic, as well as the Sustain and Serve NJ Program, which increases the likelihood that the full amount of the appropriation will be expended.

To the extent that the program is effective and business growth accelerates, the OLS notes the State may realize an increase in revenues through taxes on growth in economic activity, notably the sales and use tax, income taxes, and corporation business taxes.

Section: Authorities, Utilities, Transportation and Communications

*Analyst: Kevin J. Donahue
Principal Research Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

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

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

Governor Murphy Signs Package of Legislation to Provide \$235 Million in Small Business Relief

06/22/2021

Brings Total to More than \$600 Million in Small Business Relief Since the Start of the Pandemic

TRENTON – As New Jersey continues to recover from the ravages of the COVID-19 pandemic, Governor Phil Murphy today signed six bills – A5704, A5705, A5706, A5707, A5708, and A5709 – which provide additional aid to small businesses that continue to suffer from the economic effects of the pandemic. Together, the bill package provides \$235 million to small businesses throughout the state, allowing the New Jersey Economic Development Authority (NJEDA) to fulfill all eligible applications submitted during Phase IV of the EDA's Small Business Emergency Grant Program.

"Throughout the past year, we have focused our relief efforts on supporting New Jersey's small businesses so they can emerge from the pandemic stronger than before," **said Governor Murphy**. "This additional funding will help us add to the more than 60,000 small businesses that have received aid to date."

"As we head into the summer, it's encouraging to see more people out and about, but recovery from the severe economic impact of the pandemic won't happen overnight," said NJEDA CEO Tim Sullivan. "It's clear that businesses are still hurting, and we are grateful for the continued support of Governor Murphy and the legislature, as it will help us to bolster these businesses as they ride out what's hopefully the end of a very turbulent time."

In the Assembly the bills were sponsored by Assembly members Vince Mazzeo, Roy Freiman, Lisa Swain, Andrew Zwicker, John Armato, Chris Tully, Pedro Mejia, Angela McKnight, Adam Taliaferro, Nicholas Chiaravalloti, Linda Carter, Joann Downey, Yvonne Lopez, Stanley Sterley, and Eric Houghtaling. In the Senate, the bills were sponsored by Senators Dawn Marie Addiego, Vin Gopal, and Joseph Lagana

"Small businesses are the backbone of New Jersey's economy and assisting them as we reopen our state is paramount, **the Assembly sponsors said in a joint statement**. "We need to bolster our small business community in every way possible. Giving them the resources they need to survive and thrive is a win-win. As New Jersey returns to normalcy, we must ensure that everyone is well-positioned for our inevitable recovery."

"Our legislation will provide \$235 million in grants to help businesses and non-profits who were hit hard by the pandemic and are now deciding when and how to reopen, rehire and ramp up to full operation in the weeks and months ahead," **said Senator Dawn Addiego, the lead Senate sponsor on the bill package**. "The six-bill package sets aside \$30 million specifically for restaurants, and most important, it includes a \$25 million fund for the new restaurants, retailers and service providers that we need to fill the vacant storefronts in our downtown business districts left empty by businesses that closed."

"The restaurant, hospitality and tourism industries were crippled by the pandemic shutdown last spring and the continuing capacity restrictions that are just now being lifted sufficiently for them to be able to resume somewhat normal operations heading into the summer," **said Senator Vin Gopal**. "These new grants will be a big help."

"Small businesses are not only the backbone of our downtowns, but the biggest generators of job growth, and we are going to need that private sector job growth when all of the federal aid and incentives go away in September," **said Senator Joe Lagana**. "We need to do all we can to keep our existing small businesses afloat and help new businesses emerge."

The funding will be administered by the NJEDA, which has reopened its Phase IV grant pre-application for those businesses that missed the original deadline. To date, the EDA has distributed more than \$420 million in aid to some 63,000 businesses across the state. The breakdown of the \$235 million in proposed today's bill package is as follows:

Microbusinesses: \$120 million

Bars and Restaurants: \$20 million

Child Care Facilities: \$10 million

Other Small Businesses and non-profits: \$50 million

New Businesses and Start-Ups: \$25 million

Sustain and Serve: \$10 million

The bill signing was held at the iconic WindMill restaurant in Long Branch, owned by Rena Levine Levy and her brother Steven Levine.