

CHAPTER 167

AN ACT concerning certain economic development subsidies and supplementing Title 52 of the Revised Statutes.

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

C.52:18-51 Definitions relative to certain economic development subsidies.

1. As used in P.L.2015, c.167 (C.52:18-51 et seq.):

"Economic development subsidy" means the provision of an amount of funds to a recipient business by or from a State public body with a value of greater than \$25,000 for the purpose of stimulating economic development in New Jersey, including, but not limited to, any bond, grant, loan, loan guarantee, matching fund, tax credit, or other tax expenditure. "Economic development subsidy" shall not mean any contract under which a State public body purchases or otherwise procures goods, services, or construction on an unsubsidized basis, including any contract solely for the construction or renovation of a facility owned by a State public body.

"Recipient business" means any non-governmental person, association, for-profit or non-profit corporation, joint venture, limited liability company, partnership, sole proprietorship, or other form of business organization or entity either within or outside this State that receives an economic development subsidy. A "recipient business" shall not mean a public or private institution of higher education.

"State public body" means the State of New Jersey or any agency, authority, board, commission, or instrumentality of the State. "State public body" shall not mean a political subdivision of the State or an agency, authority, board, commission, or instrumentality of a political subdivision of the State.

"Tax expenditure" means the amount of foregone tax collections due to any abatement, reduction, exemption, credit, or transfer certificate against any State tax, including, but not limited to: taxes on raw materials, inventories, or other assets; taxes on gross receipts, income, or sales; and any use, excise, or utility tax. "Tax expenditure" shall not mean: any credit against any tax liability of an employee; any personal exemption, homestead rebate, credit, or deduction for the expenses of a household or individual; or other reduction of the tax liability of an individual or household.

C.52:18-52 Conditions for award of subsidy.

2. A State public body shall not award an economic development subsidy to a recipient business that previously received an economic development subsidy that was a loan or loan guarantee if the recipient business is in default on that previously awarded loan or loan guarantee.

3. This act shall take effect immediately but shall remain inoperative for 60 days following the date of enactment.

Approved December 2, 2015.