

## CHAPTER 115

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

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

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

b. When awarding grants under the program, the authority shall prioritize new businesses and nonprofit organizations that physically occupy commercial properties, including retail storefronts, that have become vacant or under-utilized during the COVID-19 pandemic. The authority shall 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.

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

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

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

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

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

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

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

e. Within one year of the effective date of P.L.2021, c.115, and each year thereafter until all available funds have been expended, the authority shall submit a report to the Governor and the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), detailing the expenditure of program funds. At a minimum, the report shall indicate:

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

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

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

(4) a brief description of each recipient.

f. As used in this section:

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

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

2. a. There is appropriated \$25 million from the General Fund to the New Jersey Economic Development Authority to support the operations of the Startup Business and Nonprofit Assistance Program established pursuant to section 1 of P.L.2021, c.115.

b. The authority may transfer the uncommitted balance of any funds appropriated under this section for the purposes of any program established pursuant to P.L.2021, c.42, P.L.2021, c.43, P.L.2021, c.45, P.L.2021, c.46, or P.L.2021, c.47, as well as the Sustain and Serve NJ Program; provided, however, that the authority shall 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 shall indicate the amount of and purpose for the transferred funds.

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

3. This act shall take effect immediately.

Approved June 22, 2021.