

[First Reprint]

**SENATE, No. 3718**

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**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

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INTRODUCED MARCH 13, 2023

**Sponsored by:**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Senator PAUL A. SARLO**

**District 36 (Bergen and Passaic)**

**SYNOPSIS**

Modifies employee health benefits requirements under certain economic development programs.

**CURRENT VERSION OF TEXT**

As reported by the Senate Budget and Appropriations Committee on May 11, 2023, with amendments.



1 AN ACT concerning certain State economic development programs  
2 and amending various parts of the statutory law.

3

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

6

7 1. Section 2 of P.L.1996, c.25 (C.34:1B-113) is amended to  
8 read as follows:

9 2. As used in this act:

10 "Affiliate" means an entity that directly or indirectly controls, is  
11 under common control with, or is controlled by the business.  
12 Control exists in all cases in which the entity is a member of a  
13 controlled group of corporations as defined pursuant to section 1563  
14 of the Internal Revenue Code of 1986 (26 U.S.C. s.1563) or the  
15 entity is an organization in a group of organizations under common  
16 control as defined pursuant to subsection (b) or (c) of section 414 of  
17 the Internal Revenue Code of 1986 (26 U.S.C. s.414). An entity  
18 may establish by clear and convincing evidence, as determined by  
19 the Director of the Division of Taxation in the Department of the  
20 Treasury, that control exists in situations involving lesser  
21 percentages of ownership than required by those statutes;

22 "Authority" means the New Jersey Economic Development  
23 Authority created pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.);

24 "Business retention or relocation grant of tax credits" or "grant of  
25 tax credits" means a grant which consists of the value of  
26 corporation business tax credits against the liability imposed  
27 pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) or credits  
28 against the taxes imposed on insurers pursuant to P.L.1945, c.132  
29 (C.54:18A-1 et al.), section 1 of P.L.1950, c.231 (C.17:32-15), and  
30 N.J.S.17B:23-5, provided to fund a portion of retention and  
31 relocation costs pursuant to P.L.1996, c.25 (C.34:1B-112 et seq.);

32 "Business" means an employer located in this State that has  
33 operated continuously in the State, in whole or in part, in its current  
34 form or as a predecessor entity for at least 10 years prior to filing an  
35 application pursuant to P.L.1996, c.25 (C.34:1B-112 et seq.) and  
36 which is subject to the provisions of R.S.43:21-1 et seq. and may  
37 include a sole proprietorship, a partnership, or a corporation that  
38 has made an election under Subchapter S of Chapter One of Subtitle  
39 A of the Internal Revenue Code of 1986, or any other business  
40 entity through which income flows as a distributive share to its  
41 owners, limited liability company, nonprofit corporation, or any  
42 other form of business organization located either within or outside  
43 the State. A business shall include an affiliate of the business if that  
44 business applies for a credit based upon any capital investment

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Senate SBA committee amendments adopted May 11, 2023.

1 made by an affiliate or based upon retained full-time jobs of an  
2 affiliate;

3 "Capital investment" means expenses that the business incurs  
4 following its submission of an application to the authority pursuant  
5 to section 5 of P.L.1996, c.25 (C.34:1B-116), but prior to the  
6 Capital Investment Completion Date, as shall be defined in the  
7 project agreement, for: (1) the site preparation and construction,  
8 renovation, improvement, equipping of, or obtaining and installing  
9 fixtures and machinery, apparatus or equipment in, a newly  
10 constructed, renovated or improved building, structure, facility, or  
11 improvement to real property in this State; and (2) obtaining and  
12 installing fixtures and machinery, apparatus or equipment in a  
13 building, structure, or facility in this State. Provided however, that  
14 "capital investment" shall not include soft costs such as financing  
15 and design, furniture or decorative items such as artwork or plants,  
16 or office equipment if the office equipment is property with a  
17 recovery period of less than five years. The recovery period of any  
18 property, for purposes of this section, shall be determined as of the  
19 date such property is first placed in service or use in this State by  
20 the business, determined in accordance with section 168 of the  
21 federal Internal Revenue Code of 1986 (26 U.S.C. s.168). A  
22 business that acquires or leases a qualified business facility shall  
23 also be deemed to have acquired the capital investment made or  
24 acquired by the seller or landlord, as the case may be;

25 "Certificate of compliance" means a certificate issued by the  
26 authority pursuant to section 9 of P.L.1996, c.25 (C.34:1B-120);

27 "Chief executive officer" means the chief executive officer of the  
28 New Jersey Economic Development Authority;

29 "Commitment duration" means the tax credit term and five years  
30 from the end of the tax credit term specified in the project  
31 agreement entered into pursuant to section 5 of P.L.1996, c.25  
32 (C.34:1B-116);

33 "Designated industry" means an industry identified by the  
34 authority as desirable for the State to maintain, which may be  
35 designated and amended via the promulgation of rules by the  
36 authority to reflect changing market conditions;

37 "Designated urban center" means an urban center designated in  
38 the State Development and Redevelopment Plan adopted by the  
39 State Planning Commission;

40 "Eligible position" means a full-time position retained by a  
41 business in this State for which a business provides employee health  
42 benefits under a group health plan as defined under section 14 of  
43 P.L.1997, c.146 (C.17B:27-54), a health benefits plan as defined  
44 under section 1 of P.L.1992, c.162 (C.17B:27A-17), or a policy or  
45 contract of health insurance covering more than one person issued  
46 pursuant to Article 2 of Chapter 27 of Title 17B of the New Jersey  
47 Statutes. For an eligible business that <sup>1</sup>[(1) submits] submitted<sup>1</sup> a  
48 certificate of compliance on or after <sup>1</sup>[the effective date of P.L. ,

1 c. (C. \_\_\_\_\_), or (2) submitted a certificate of compliance but did  
2 not receive, with respect to that application, an annual tax  
3 certificate from the authority by the effective date of P.L. \_\_\_\_\_, c.  
4 (C. \_\_\_\_\_)】 January 1, 2020<sup>1</sup>, the requirement that employee health  
5 benefits are to be provided shall be deemed to be satisfied if the  
6 benefits are provided by the business or pursuant to a collective  
7 bargaining agreement, no later than 90 days of employee start date,  
8 under a health benefits plan authorized pursuant to State or federal  
9 law;

10 "Full-time employee" means a person employed by the business  
11 for consideration for at least 35 hours a week, or who renders any  
12 other standard of service generally accepted by custom or practice,  
13 as determined by the authority, as full-time employment, or a  
14 person who is employed by a professional employer organization  
15 pursuant to an employee leasing agreement between the business  
16 and the professional employer organization, in accordance with  
17 P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or  
18 who renders any other standard of service generally accepted by  
19 custom or practice, as determined by the authority, as full-time  
20 employment, and whose wages are subject to withholding as  
21 provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
22 et seq. or an employee who is a resident of another State but whose  
23 income is not subject to the "New Jersey Gross Income Tax Act,"  
24 N.J.S.54A:1-1 et seq. or who is a partner of a business who works  
25 for the partnership for at least 35 hours a week, or who renders any  
26 other standard of service generally accepted by custom or practice,  
27 as determined by the authority, as full-time employment, and whose  
28 distributive share of income, gain, loss, or deduction, or whose  
29 guaranteed payments, or any combination thereof, is subject to the  
30 payment of estimated taxes, as provided in the "New Jersey Gross  
31 Income Tax Act," N.J.S.54A:1-1 et seq. "Full-time employee" shall  
32 not include any person who works as an independent contractor or  
33 on a consulting basis for the business;

34 "Full-time employee at the qualified business facility" means a  
35 full-time position in a business in this State, which position the  
36 business has filled with a full-time employee, who shall have their  
37 primary office at the qualified business facility and spend at least 60  
38 percent of their time at the qualified business facility. This  
39 requirement shall supersede any law, regulation, or incentive  
40 agreement that imposes a requirement that the employee be present  
41 at the qualified business facility for a specified percentage of time  
42 greater than 60 percent. This amendment shall not alter or terminate  
43 any waiver of the requirement that an employee spend time at the  
44 qualified business facility implemented by the authority due to  
45 COVID-19 public health emergency and state of emergency.

46 "New business location" means the premises to which a business  
47 will relocate that the business has either purchased or built or for  
48 which the business has entered into a purchase agreement or a

1 written lease for a period of no less than the commitment duration  
2 or eight years, whichever is greater, from the date of relocation. A  
3 "new business location" also means the business's current location  
4 or locations if the business makes a capital investment equal to the  
5 total value of the business retention or relocation grant of tax credits  
6 to the business at that location or locations;

7 "Program" means the Business Retention and Relocation  
8 Assistance Grant Program created pursuant to P.L.1996, c.25  
9 (C.34:1B-112 et seq.);

10 "Project agreement" means an agreement between a business and  
11 the authority that sets the forecasted schedule for completion and  
12 occupancy of the project, the date the commitment duration shall  
13 commence, the amount and tax credit term of the applicable grant of  
14 tax credits, and other such provisions which further the purposes of  
15 P.L.1996, c.25 (C.34:1B-112 et seq.);

16 "Retained full-time job" means an eligible position that currently  
17 exists in New Jersey and is filled by a full-time employee but  
18 which, because of a potential relocation by the business, is at risk of  
19 being lost to another state or country. For the purposes of  
20 determining a number of retained full-time jobs, the eligible  
21 positions of an affiliate shall be considered the eligible positions of  
22 the business;

23 "Tax credit term" means the period of time commencing with the  
24 first issuance of tax credits and continuing during the period in  
25 which the recipient of a grant of tax credits is eligible to apply the  
26 tax credits pursuant to section 7 of P.L.2004, c.65 (C.34:1B-115.3);  
27 and

28 "Yearly tax credit amount" means \$1,500 times the number of  
29 retained full-time jobs. "Yearly tax credit amount" does not include  
30 the amount of any bonus award authorized pursuant to section 5 of  
31 P.L.2004, c.65 (C.34:1B-115.1).  
32 (cf: P.L.2021, c.160, s.64)

33

34 2. Section 2 of P.L.1996, c.26 (C.34:1B-125) is amended to read  
35 as follows:

36 2. As used in sections 1 through 17 of P.L.1996, c.26 (C.34:1B-  
37 124 et seq.) and in sections 9 through 11 of P.L.2003, c.166 (C.34:1B-  
38 139.1 through C.34:1B-139.3), unless a different meaning clearly  
39 appears from the context:

40 "Advanced computing" means a technology used in the designing  
41 and developing of computing hardware and software, including  
42 innovations in designing the full spectrum of hardware from hand-held  
43 calculators to super computers, and peripheral equipment.

44 "Advanced computing company" means a person, whose  
45 headquarters or base of operations is located in New Jersey, engaged  
46 in the research, development, production, or provision of advanced  
47 computing for the purpose of developing or providing products or  
48 processes for specific commercial or public purposes.

1 "Advanced materials" means materials with engineered properties  
2 created through the development of specialized processing and  
3 synthesis technology, including ceramics, high value-added metals,  
4 electronic materials, composites, polymers, and biomaterials.

5 "Advanced materials company" means a person, whose  
6 headquarters or base of operations is located in New Jersey, engaged  
7 in the research, development, production, or provision of advanced  
8 materials for the purpose of developing or providing products or  
9 processes for specific commercial or public purposes.

10 "Application year" means the grant year for which an eligible  
11 partnership submits the information required under section 8 of  
12 P.L.1996, c.26 (C.34:1B-131).

13 "Authority" means the New Jersey Economic Development  
14 Authority created pursuant to section 4 of  
15 P.L.1974, c.80 (C.34:1B-4).

16 "Base years" means the first two complete calendar years  
17 following the effective date of an agreement.

18 "Biotechnology" means the continually expanding body of  
19 fundamental knowledge about the functioning of biological systems  
20 from the macro level to the molecular and sub-atomic levels, as well as  
21 novel products, services, technologies, and sub-technologies  
22 developed as a result of insights gained from research advances which  
23 add to that body of fundamental knowledge.

24 "Biotechnology company" means a person, whose headquarters or  
25 base of operations is located in New Jersey, engaged in the research,  
26 development, production, or provision of biotechnology for the  
27 purpose of developing or providing products or processes for specific  
28 commercial or public purposes, including but not limited to, medical,  
29 pharmaceutical, nutritional, and other health-related purposes,  
30 agricultural purposes, and environmental purposes, or a person, whose  
31 headquarters or base of operations is located in New Jersey, engaged  
32 in providing services or products necessary for such research,  
33 development, production, or provision.

34 "Bonds" means bonds, notes, or other obligations issued by the  
35 authority pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.).

36 "Business" means a corporation; sole proprietorship; partnership;  
37 corporation that has made an election under Subchapter S of Chapter  
38 One of Subtitle A of the Internal Revenue Code of 1986, or any other  
39 business entity through which income flows as a distributive share to  
40 its owners; limited liability company; nonprofit corporation; or any  
41 other form of business organization located either within or outside  
42 this State. A grant received under P.L.1996, c.26 (C.34:1B-124 et seq.)  
43 by a partnership, Subchapter S-Corporation, or other business entity  
44 shall be apportioned among the persons to whom the income or profit  
45 of the partnership, Subchapter S-Corporation, or other entity is  
46 distributed, in the same proportions as those in which the income or  
47 profit is distributed.

1 "Business employment incentive agreement" or "agreement"  
2 means the written agreement between the authority and a business  
3 proposing a project in this State in accordance with the provisions of  
4 P.L.1996, c.26 (C.34:1B-124 et seq.) which establishes the terms and  
5 conditions of a grant to be awarded pursuant to P.L.1996, c.26  
6 (C.34:1B-124 et seq.).

7 "Designated industry" means a business engaged in the field of  
8 biotechnology, pharmaceuticals, financial services, transportation and  
9 logistics, advanced computing, advanced materials, electronic device  
10 technology, environmental technology, or medical device technology.

11 "Director" means the Director of the Division of Taxation.

12 "Division" means the Division of Taxation in the Department of  
13 the Treasury.

14 "Electronic device technology" means a technology involving  
15 microelectronics, semiconductors, electronic equipment, and  
16 instrumentation, radio frequency, microwave, and millimeter  
17 electronics, and optical and optic-electrical devices, or data and digital  
18 communications and imaging devices.

19 "Electronic device technology company" means a person, whose  
20 headquarters or base of operations is located in New Jersey, engaged  
21 in the research, development, production, or provision of electronic  
22 device technology for the purpose of developing or providing products  
23 or processes for specific commercial or public purposes.

24 "Eligible partnership" means a partnership or limited liability  
25 company that is qualified to receive a grant as established in P.L.1996,  
26 c.26 (C.34:1B-124 et seq.).

27 "Eligible position" is a new full-time position created by a business  
28 in New Jersey or transferred from another state by the business under  
29 the terms and conditions set forth in P.L.1996, c.26 (C.34:1B-124 et  
30 seq.) during the base years or in subsequent years of a grant. In  
31 determining if positions are eligible positions, the authority shall give  
32 greater consideration to positions that average at least 1.5 times the  
33 minimum hourly wage during the term of an agreement authorized  
34 pursuant to P.L.1996, c.26 (C.34:1B-124 et seq.). For grants awarded  
35 on or after July 1, 2003, eligible position includes only a position for  
36 which a business provides employee health benefits under a group  
37 health plan as defined under section 14 of P.L.1997, c.146 (C.17B:27-  
38 54), a health benefits plan as defined under section 1 of P.L.1992,  
39 c.162 (C.17B:27A-17), or a policy or contract of health insurance  
40 covering more than one person issued pursuant to Article 2 of Title  
41 17B of the New Jersey Statutes. For an eligible business that <sup>1</sup>[(1)  
42 submits] submitted<sup>1</sup> its applicable New Jersey tax return and annual  
43 payroll report required pursuant to section 8 of P.L.1996, c.26  
44 (C.34:1B-131) to the authority on or after  
45 <sup>1</sup>[(the effective date of P.L. , c. (C. ), or (2) submitted its  
46 applicable New Jersey tax return and annual payroll report required  
47 pursuant to section 8 of P.L.1996, c.26 (C.34:1B-131) to the authority,  
48 but did not receive, with respect to that application, an annual tax

1 certificate from the authority by the effective date of  
2 P.L. , c. (C. )】 January 1, 2020<sup>1</sup> , the requirement that  
3 employee health benefits are to be provided shall be deemed to be  
4 satisfied if the benefits are provided by the business or pursuant to a  
5 collective bargaining agreement, no later than 90 days of employee  
6 start date, under a health benefits plan authorized pursuant to State or  
7 federal law. An "eligible position" shall also include all current and  
8 future partners or members of a partnership or limited liability  
9 company created by a business in New Jersey or transferred from  
10 another state by the business pursuant to the conditions set forth in  
11 P.L.1996, c.26 (C.34:1B-124 et seq.) during the base years or in  
12 subsequent years of a grant. An "eligible position" shall also include a  
13 position occupied by a resident of this State whose position is  
14 relocated to this State from another state but who does not qualify as a  
15 "new employee" because prior to relocation the resident's wages or the  
16 resident's distributive share of income from a gain, from a loss or  
17 deduction, or the resident's guaranteed payments or any combination  
18 thereof, prior to the relocation, were not subject to income taxes  
19 imposed by the state or municipality in which the position was  
20 previously located. An "eligible position" shall also include a position  
21 occupied by a resident of another State whose position is relocated to  
22 this State but whose income is not subject to the New Jersey gross  
23 income tax pursuant to the "New Jersey Gross Income Tax Act,"  
24 N.J.S.54A:1-1 et seq. An "eligible position" shall not include any  
25 position located within New Jersey, which, within a period either three  
26 months prior to the business' application for a grant under P.L.1996,  
27 c.26 (C.34:1B-124 et seq.) or six months after the date of application,  
28 ceases to exist or be located within New Jersey.

29 "Employment incentive" means the amount of a grant, either in  
30 cash or in tax credits, determined pursuant to subsection a. of section 6  
31 of P.L.1996, c.26 (C.34:1B-129 ).

32 "Environmental technology" means assessment and prevention of  
33 threats or damage to human health or the environment, environmental  
34 cleanup, or the development of alternative energy sources.

35 "Environmental technology company" means a person, whose  
36 headquarters or base of operations is located in New Jersey, engaged  
37 in the research, development, production, or provision of  
38 environmental technology for the purpose of developing or providing  
39 products or processes for specific commercial or public purposes.

40 "Estimated tax" means an amount calculated for a partner in an  
41 eligible position equal to 6.37 percent of the lesser of: a. the amount of  
42 the partner's net income from the eligible partnership that is sourced to  
43 New Jersey as reflected in Column B of the partner's Schedule NJK-1  
44 of the application year less the amount of the partner's net income  
45 from the eligible partnership that is sourced to New Jersey as reflected  
46 in column B of the partner's Schedule NJK-1 in the foundation year; or  
47 b. the net of all items of partnership income upon which tax has been



1 paid as reflected on the partner's New Jersey Gross Income Tax return  
2 in the application year.

3 "Foundation year" means the year immediately prior to the  
4 creation of the eligible position.

5 "Full-time employee" means a person who is employed for  
6 consideration for at least 35 hours a week, or who renders any other  
7 standard of service generally accepted by custom or practice as full-  
8 time employment, whose wages are subject to withholding as provided  
9 in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., and  
10 who is determined by the authority to be employed in a permanent  
11 position according to criteria it develops, or who is a partner of an  
12 eligible partnership, who works for the partnership for at least 35 hours  
13 a week, or who renders any other standard of service generally  
14 accepted by custom or practice as full-time employment, and whose  
15 distributive share of income, gain, loss, or deduction, or whose  
16 guaranteed payments, or any combination thereof, is subject to the  
17 payment of estimated taxes, as provided in the "New Jersey Gross  
18 Income Tax Act," N.J.S.54A:1-1 et seq. "Full-time employee" shall  
19 not include any person who works as an independent contractor or on a  
20 consulting basis for the business.

21 "Full-time employee at the qualified business facility" means a  
22 full-time position in a business in this State, which position the  
23 business has filled with a full-time employee, who shall have their  
24 primary office at the qualified business facility and spend at least 60  
25 percent of their time at the qualified business facility. This requirement  
26 shall supersede any law, regulation, or incentive agreement that  
27 imposes a requirement that the employee be present at the qualified  
28 business facility for a specified percentage of time greater than 60  
29 percent. This amendment shall not alter or terminate any waiver of the  
30 requirement that an employee spend time at the qualified business  
31 facility implemented by the authority due to COVID-19 public health  
32 emergency and state of emergency.

33 "Grant" means a business employment incentive grant as  
34 established in P.L.1996, c.26 (C.34:1B-124 et seq.).

35 "Medical device technology" means a technology involving any  
36 medical equipment or product, other than a pharmaceutical product,  
37 that has therapeutic value, diagnostic value, or both, and is regulated  
38 by the federal Food and Drug Administration.

39 "Medical device technology company" means a person, whose  
40 headquarters or base of operations is located in New Jersey, engaged  
41 in the research, development, production, or provision of medical  
42 device technology for the purpose of developing or providing products  
43 or processes for specific commercial or public purposes.

44 "Net income from the eligible partnership" means the net  
45 combination of a partner's distributive share of the eligible  
46 partnership's income, gain, loss, deduction, or guaranteed payments.

47 "New employee" means a full-time employee first employed in an  
48 eligible position on the project which is the subject of an agreement or

1 who is a partner of an eligible partnership, who works for the  
2 partnership for at least 35 hours a week, or who renders any other  
3 standard of service generally accepted by custom or practice as full-  
4 time employment, and whose distributive share of income, gain, loss  
5 or deduction, or whose guaranteed payments, or any combination  
6 thereof, is subject to the payment of estimated taxes, as provided in the  
7 "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.; except  
8 that a New Jersey resident whose position is relocated to this State  
9 shall not be classified as a "new employee" unless the employee's  
10 wages, or the employee's distributive share of income from a gain,  
11 from a loss or deduction, or the employee's guaranteed payments or  
12 any combination thereof, prior to the relocation, were subject to  
13 income taxes imposed by the state or municipality in which the  
14 position was previously located. "New employee" may also include an  
15 employee rehired or called back from a layoff during or following the  
16 base years to a vacant position previously held by that employee or to  
17 a new position established during or following the base years. "New  
18 employee" shall not include any employee who was previously  
19 employed in New Jersey by the business or by a related person as  
20 defined in section 2 of P.L.1993, c.170 (C.54:10A-5.5) if the employee  
21 is transferred to the business, which is the subject of an agreement,  
22 unless the employee's position at the employee's previous employer is  
23 filled by a new employee. "New employee" also shall not include a  
24 child, grandchild, parent, or spouse of an individual associated with  
25 the business who has direct or indirect ownership of at least 15 percent  
26 of the profits, capital, or value of the business. New employee shall  
27 also include an employee whose position is relocated to this State but  
28 whose income is not subject to the New Jersey gross income tax  
29 pursuant to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et  
30 seq.

31 "Partner" means a person who is entitled to either a distributive  
32 share of a partnership's income, gain, loss, or deduction, or guaranteed  
33 payments, or any combination thereof, by virtue of holding an interest  
34 in the partnership. "Partner" also includes a person who is a member of  
35 a limited liability company which is treated as a partnership, as  
36 provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et  
37 seq.

38 "Refunding Bonds" means bonds, notes or other obligations issued  
39 to refinance bonds, notes or other obligations previously issued by the  
40 authority pursuant to the provisions of P.L.1996, c.26 (C.34:1B-124 et  
41 seq.).

42 "Residual withholdings" means for any period of time, the excess  
43 of the estimated cumulative withholdings for all executed agreements  
44 eligible for payments under P.L.1996, c.26  
45 (C.34:1B-124 et seq.) over the cumulative anticipated grant amounts.

46 "Schedule NJK-1" means Schedule NJK-1 as the form existed for  
47 taxable year 1997.

1 "Withholdings" means the amount withheld by a business from the  
2 wages of new employees or estimated taxes paid by, or on behalf of,  
3 partners that are new employees, or any combination thereof, pursuant  
4 to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.,  
5 and, if the new employee is an employee whose position has moved to  
6 New Jersey but whose income is not subject to the New Jersey gross  
7 income tax pursuant to N.J.S.54A:1-1 et seq., the amount of  
8 withholding that would occur if the employee were to move to New  
9 Jersey.  
10 (cf: P.L.2021, c.160, s.63)

11  
12 3. Section 2 of P.L.2011, c.149 (C.34:1B-243) is amended to read  
13 as follows:

14 2. As used in P.L.2011, c.149 (C.34:1B-242 et seq.):

15 "Affiliate" means an entity that directly or indirectly controls, is  
16 under common control with, or is controlled by the business. Control  
17 exists in all cases in which the entity is a member of a controlled group  
18 of corporations as defined pursuant to section 1563 of the Internal  
19 Revenue Code of 1986 (26 U.S.C. s.1563) or the entity is an  
20 organization in a group of organizations under common control as  
21 defined pursuant to subsection (b) or (c) of section 414 of the Internal  
22 Revenue Code of 1986 (26 U.S.C. s.414). A taxpayer may establish by  
23 clear and convincing evidence, as determined by the Director of the  
24 Division of Taxation in the Department of the Treasury, that control  
25 exists in situations involving lesser percentages of ownership than  
26 required by those statutes. An affiliate of a business may contribute to  
27 meeting either the qualified investment or full-time employee  
28 requirements of a business that applies for a credit under section 3 of  
29 P.L.2007, c.346 (C.34:1B-209).

30 "Authority" means the New Jersey Economic Development  
31 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

32 "Aviation district" means all areas within the boundaries of the  
33 "Atlantic City International Airport," established pursuant to section  
34 24 of P.L.1991, c.252 (C.27:25A-24), and the Federal Aviation  
35 Administration William J. Hughes Technical Center and the area  
36 within a one-mile radius of the outermost boundary of the "Atlantic  
37 City International Airport" and the Federal Aviation Administration  
38 William J. Hughes Technical Center.

39 "Business" means an applicant proposing to own or lease premises  
40 in a qualified business facility that is:

41 a corporation that is subject to the tax imposed pursuant to section  
42 5 of P.L.1945, c.162 (C.54:10A-5);

43 a corporation that is subject to the tax imposed pursuant to sections  
44 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and C.54:18A-3), section 1 of  
45 P.L.1950, c.231 (C.17:32-15) or N.J.S.17B:23-5;

46 a partnership;

47 an S corporation;

48 a limited liability company; or

1 a non-profit corporation.

2 If the business or tenant is a cooperative or part of a cooperative,  
3 then the cooperative may qualify for credits by counting the full-time  
4 employees and capital investments of its member organizations, and  
5 the cooperative may distribute credits to its member organizations. If  
6 the business or tenant is a cooperative that leases to its member  
7 organizations, the lease shall be treated as a lease to an affiliate or  
8 affiliates.

9 A business shall include an affiliate of the business if that business  
10 applies for a credit based upon any capital investment made by or full-  
11 time employees of an affiliate.

12 "Capital investment" in a qualified business facility means  
13 expenses by a business or any affiliate of the business incurred after  
14 application for:

15 a. site preparation and construction, repair, renovation,  
16 improvement, equipping, or furnishing on real property or of a  
17 building, structure, facility, or improvement to real property;

18 b. obtaining and installing furnishings and machinery, apparatus,  
19 or equipment, including but not limited to material goods subject to  
20 bonus depreciation under sections 168 and 179 of the federal Internal  
21 Revenue Code (26 U.S.C. s.168 and s.179), for the operation of a  
22 business on real property or in a building, structure, facility, or  
23 improvement to real property;

24 c. receiving Highlands Development Credits under the Highlands  
25 Transfer Development Rights Program authorized pursuant to section  
26 13 of P.L.2004, c.120 (C.13:20-13); or

27 d. any of the foregoing.

28 In addition to the foregoing, in a Garden State Growth Zone, the  
29 following qualify as a capital investment: any development,  
30 redevelopment, and relocation costs, including, but not limited to, site  
31 acquisition if made within 24 months of application to the authority,  
32 engineering, legal, accounting, and other professional services  
33 required; and relocation, environmental remediation, and infrastructure  
34 improvements for the project area, including, but not limited to, on-  
35 and off-site utility, road, pier, wharf, bulkhead, or sidewalk  
36 construction or repair.

37 In addition to the foregoing, if a business acquires or leases a  
38 qualified business facility, the capital investment made or acquired by  
39 the seller or owner, as the case may be, if pertaining primarily to the  
40 premises of the qualified business facility, shall be considered a capital  
41 investment by the business and, if pertaining generally to the qualified  
42 business facility being acquired or leased, shall be allocated to the  
43 premises of the qualified business facility on the basis of the gross  
44 leasable area of the premises in relation to the total gross leasable area  
45 in the qualified business facility. The capital investment described  
46 herein may include any capital investment made or acquired within 24  
47 months prior to the date of application so long as the amount of capital  
48 investment made or acquired by the business, any affiliate of the

1 business, or any owner after the date of application equals at least 50  
2 percent of the amount of capital investment, allocated to the premises  
3 of the qualified business facility being acquired or leased on the basis  
4 of the gross leasable area of the premises in relation to the total gross  
5 leasable area in the qualified business facility made or acquired prior  
6 to the date of application.

7 "College or university" means a county college, an independent  
8 institution of higher education, a public research university, or a State  
9 college.

10 "Commitment period" means the period of time that is 1.5 times  
11 the eligibility period.

12 "County college" means an educational institution established by  
13 one or more counties, pursuant to chapter 64A of Title 18A of the New  
14 Jersey Statutes.

15 "Deep poverty pocket" means a population census tract having a  
16 poverty level of 20 percent or more, and which is located within the  
17 qualified incentive area and has been determined by the authority to be  
18 an area appropriate for development and in need of economic  
19 development incentive assistance.

20 "Disaster recovery project" means a project located on property  
21 that has been wholly or substantially damaged or destroyed as a result  
22 of a federally-declared disaster which, after utilizing all disaster funds  
23 available from federal, State, county, and local funding sources,  
24 demonstrates to the satisfaction of the authority that access to  
25 additional funding authorized pursuant to the "New Jersey Economic  
26 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.), is  
27 necessary to complete the redevelopment project, and which is located  
28 within the qualified incentive area and has been determined by the  
29 authority to be in an area appropriate for development and in need of  
30 economic development incentive assistance.

31 "Distressed municipality" means a municipality that is qualified to  
32 receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a  
33 municipality under the supervision of the Local Finance Board  
34 pursuant to the provisions of the "Local Government Supervision Act  
35 (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality  
36 identified by the Director of the Division of Local Government  
37 Services in the Department of Community Affairs to be facing serious  
38 fiscal distress, a SDA municipality, or a municipality in which a major  
39 rail station is located.

40 "Doctoral university" means a university located within New  
41 Jersey that is classified as a doctoral university under the Carnegie  
42 Classification of Institutions of Higher Education's Basic  
43 Classification methodology on the effective date of P.L.2017, c.221.

44 "Eligibility period" means the period in which a business may  
45 claim a tax credit under the Grow New Jersey Assistance Program,  
46 beginning with the tax period in which the authority accepts  
47 certification of the business that it has met the capital investment and  
48 employment requirements of the Grow New Jersey Assistance

1 Program and extending thereafter for a term of not more than 10 years,  
2 with the term to be determined solely at the discretion of the applicant.

3 "Eligible position" or "full-time job" means a full-time position in  
4 a business in this State, which position the business has filled with a  
5 full-time employee, who shall have their primary office at the qualified  
6 business facility and spend at least 60 percent of their time at the  
7 qualified business facility. This requirement shall supersede any law,  
8 regulation, or incentive agreement that imposes a requirement that the  
9 employee be present at the qualified business facility for a specified  
10 percentage of time greater than 60 percent. This amendment shall not  
11 alter or terminate any waiver of the requirement that an employee  
12 spend time at the qualified business facility implemented by the  
13 authority due to COVID-19 public health emergency and state of  
14 emergency.

15 "Full-time employee" means a person:

16 a. who is employed by a business for consideration for at least 35  
17 hours a week, or who renders any other standard of service generally  
18 accepted by custom or practice as full-time employment; or

19 b. who is employed by a professional employer organization  
20 pursuant to an employee leasing agreement between the business and  
21 the professional employer organization, in accordance with P.L.2001,  
22 c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or who renders  
23 any other standard of service generally accepted by custom or practice  
24 as full-time employment, and whose wages are subject to withholding  
25 as provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
26 et seq.; or

27 c. who is a resident of another State but whose income is not  
28 subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et  
29 seq. or who is a partner of a business who works for the partnership for  
30 at least 35 hours a week, or who renders any other standard of service  
31 generally accepted by custom or practice as full-time employment, and  
32 whose distributive share of income, gain, loss, or deduction, or whose  
33 guaranteed payments, or any combination thereof, is subject to the  
34 payment of estimated taxes, as provided in the "New Jersey Gross  
35 Income Tax Act," N.J.S.54A:1-1 et seq.; and

36 d. who, except for purposes of the Statewide workforce, is  
37 provided, by the business, with employee health benefits under a  
38 health benefits plan authorized pursuant to State or federal law. For an  
39 eligible business that <sup>1</sup>[(1) submits] submitted<sup>1</sup> certifications and  
40 annual reports required in an incentive agreement pursuant to  
41 subsection e. of section 4 of P.L.2011, c.149 (C.34:1B-245) on or after  
42 <sup>1</sup>[the effective date of P.L. , c. (C. ), or (2) submitted  
43 certifications and annual reports required in an incentive agreement  
44 pursuant to subsection e. of section 4 of P.L.2011, c.149 (C.34:1B-  
45 245) on or after January 1, 2022, but did not receive, with respect to  
46 that application, an annual tax certificate from the authority by the  
47 effective date of P.L. , c. (C. )] January 1, 2020<sup>1</sup> , the  
48 requirement that employee health benefits are to be provided shall be

1 deemed to be satisfied if the benefits are provided by the business or  
2 pursuant to a collective bargaining agreement, no later than 90 days of  
3 employee start date, under a health benefits plan authorized pursuant  
4 to State or federal law.

5 With respect to a logistics, manufacturing, energy, defense,  
6 aviation, or maritime business, excluding primarily warehouse or  
7 distribution operations, located in a port district having a container  
8 terminal:

9 the requirement that employee health benefits are to be provided  
10 shall be deemed to be satisfied if the benefits are provided in  
11 accordance with industry practice by a third party obligated to provide  
12 such benefits pursuant to a collective bargaining agreement;

13 full-time employment shall include, but not be limited to,  
14 employees that have been hired by way of a labor union hiring hall or  
15 its equivalent;

16 35 hours of employment per week at a qualified business facility  
17 shall constitute one "full-time employee," regardless of whether or not  
18 the hours of work were performed by one or more persons.

19 For any project located in a Garden State Growth Zone which  
20 qualifies under the "Municipal Rehabilitation and Economic Recovery  
21 Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or any project located in  
22 the Atlantic City Tourism District as established pursuant to section 5  
23 of P.L.2011, c.18 (C.5:12-219) and regulated by the Casino  
24 Reinvestment Development Authority, and which will include a retail  
25 facility of at least 150,000 square feet, of which at least 50 percent will  
26 be occupied by either a full-service supermarket or grocery store, 30  
27 hours of employment per week at a qualified business facility shall  
28 constitute one "full-time employee," regardless of whether the hours of  
29 work were performed by one or more persons, and the requirement  
30 that employee health benefits are to be provided shall be deemed to be  
31 satisfied if the employees of the business are covered by a collective  
32 bargaining agreement.

33 "Full-time employee" shall not include any person who works as  
34 an independent contractor or on a consulting basis for the business.

35 Full-time employee shall also not include any person who at the  
36 time of project application works in New Jersey for consideration for  
37 at least 35 hours per week, or who renders any other standard of  
38 service generally accepted by custom or practice as full-time  
39 employment but who prior to project application was not provided, by  
40 the business, with employee health benefits under a health benefits  
41 plan authorized pursuant to State or federal law.

42 "Garden State Create Zone" means the campus of a doctoral  
43 university, and the area within a three-mile radius of the outermost  
44 boundary of the campus of a doctoral university, according to a map  
45 appearing in the doctoral university's official catalog or other official  
46 publication on the effective date of P.L.2017, c.221.

47 "Garden State Growth Zone" or "growth zone" means the four  
48 New Jersey cities with the lowest median family income based on the

1 2009 American Community Survey from the US Census, (Table 708.  
2 Household, Family, and Per Capita Income and Individuals, and  
3 Families Below Poverty Level by City: 2009); a municipality which  
4 contains a Tourism District as established pursuant to section 5 of  
5 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino Reinvestment  
6 Development Authority; or an aviation district.

7 "Highlands development credit receiving area or redevelopment  
8 area" means an area located within a qualified incentive area and  
9 designated by the Highlands Water Protection and Planning Council  
10 for the receipt of Highlands Development Credits under the Highlands  
11 Transfer Development Rights Program authorized pursuant to section  
12 13 of P.L.2004, c.120 (C.13:20-13).

13 "Incentive agreement" means the contract between the business  
14 and the authority, which sets forth the terms and conditions under  
15 which the business shall be eligible to receive the incentives  
16 authorized pursuant to the program.

17 "Incentive effective date" means the date a business submits the  
18 documentation required pursuant to paragraph (1) of subsection b. of  
19 section 6 of P.L.2011, c.149 (C.34:1B-247 ) in a form satisfactory to  
20 the authority.

21 "Independent institution of higher education" means a college or  
22 university incorporated and located in New Jersey, which by virtue of  
23 law or character or license is a nonprofit educational institution  
24 authorized to grant academic degrees and which provides a level of  
25 education which is equivalent to the education provided by the State's  
26 public institutions of higher education, as attested by the receipt of and  
27 continuation of regional accreditation by the Middle States Association  
28 of Colleges and Schools, and which is eligible to receive State aid  
29 under the provisions of the Constitution of the United States and the  
30 Constitution of the State of New Jersey, but does not include any  
31 educational institution dedicated primarily to the education or training  
32 of ministers, priests, rabbis or other professional persons in the field of  
33 religion.

34 "Major rail station" means a railroad station located within a  
35 qualified incentive area which provides access to the public to a  
36 minimum of six rail passenger service lines operated by the New  
37 Jersey Transit Corporation.

38 "Mega project" means:

39 a. a qualified business facility located in a port district housing a  
40 business in the logistics, manufacturing, energy, defense, or maritime  
41 industries, either:

42 (1) having a capital investment in excess of \$20,000,000, and at  
43 which more than 250 full-time employees of the business are created  
44 or retained; or

45 (2) at which more than 1,000 full-time employees of the business  
46 are created or retained;

47 b. a qualified business facility located in an aviation district  
48 housing a business in the aviation industry, in a Garden State Growth



1 Zone, or in a priority area housing the United States headquarters and  
2 related facilities of an automobile manufacturer, either:

3 (1) having a capital investment in excess of \$20,000,000, and at  
4 which more than 250 full-time employees of the business are created  
5 or retained, or

6 (2) at which more than 1,000 full-time employees of the business  
7 are created or retained;

8 c. a qualified business facility located in an urban transit hub  
9 housing a business of any kind, having a capital investment in excess  
10 of \$50,000,000, and at which more than 250 full-time employees of  
11 the business are created or retained;

12 d. a project located in an area designated in need of  
13 redevelopment, pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.) prior  
14 to the enactment of P.L.2014, c.63 (C.34:1B-251 et al.) within  
15 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,  
16 Ocean, or Salem counties having a capital investment in excess of  
17 \$20,000,000, and at which more than 150 full-time employees of the  
18 business are created or retained; or

19 e. a qualified business facility primarily used by a business  
20 principally engaged in research, development, or manufacture of a  
21 drug or device, as defined in R.S.24:1-1, or primarily used by a  
22 business licensed to conduct a clinical laboratory and business facility  
23 pursuant to the "New Jersey Clinical Laboratory Improvement Act,"  
24 P.L.1975, c.166 (C.45:9-42.26 et seq.), either:

25 (1) having a capital investment in excess of \$20,000,000, and at  
26 which more than 250 full-time employees of the business are created  
27 or retained, or

28 (2) at which more than 1,000 full-time employees of the business  
29 are created or retained.

30 "Minimum environmental and sustainability standards" means  
31 standards established by the authority in accordance with the green  
32 building manual prepared by the Commissioner of Community Affairs  
33 pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6), regarding  
34 the use of renewable energy, energy-efficient technology, and non-  
35 renewable resources in order to reduce environmental degradation and  
36 encourage long-term cost reduction.

37 "Moderate-income housing" means housing affordable, according  
38 to United States Department of Housing and Urban Development or  
39 other recognized standards for home ownership and rental costs, and  
40 occupied or reserved for occupancy by households with a gross  
41 household income equal to more than 50 percent but less than 80  
42 percent of the median gross household income for households of the  
43 same size within the housing region in which the housing is located.

44 "Municipal Revitalization Index" means the 2007 index by the  
45 Office for Planning Advocacy within the Department of State  
46 measuring or ranking municipal distress.

47 "New full-time job" means an eligible position created by the  
48 business at the qualified business facility that did not previously exist

1 in this State. For the purposes of determining a number of new full-  
2 time jobs, the eligible positions of an affiliate shall be considered  
3 eligible positions of the business.

4 "Other eligible area" means the portions of the qualified incentive  
5 area that are not located within a distressed municipality, or the  
6 priority area.

7 "Partnership" means an entity classified as a partnership for federal  
8 income tax purposes.

9 "Port district" means the portions of a qualified incentive area that  
10 are located within:

11 a. the "Port of New York District" of the Port Authority of New  
12 York and New Jersey, as defined in Article II of the Compact Between  
13 the States of New York and New Jersey of 1921; or

14 b. a 15-mile radius of the outermost boundary of each marine  
15 terminal facility established, acquired, constructed, rehabilitated, or  
16 improved by the South Jersey Port District established pursuant to  
17 "The South Jersey Port Corporation Act," P.L.1968, c.60 (C.12:11A-1  
18 et seq.).

19 "Priority area" means the portions of the qualified incentive area  
20 that are not located within a distressed municipality and which:

21 a. are designated pursuant to the "State Planning Act," P.L.1985,  
22 c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan),  
23 Planning Area 2 (Suburban), a designated center under the State  
24 Development and Redevelopment Plan, or a designated growth center  
25 in an endorsed plan until June 30, 2013, or until the State Planning  
26 Commission revises and readopts New Jersey's State Strategic Plan  
27 and adopts regulations to revise this definition;

28 b. intersect with portions of: a deep poverty pocket, a port district,  
29 or federally-owned land approved for closure under a federal  
30 Commission on Base Realignment and Closure action;

31 c. are the proposed site of a disaster recovery project, a qualified  
32 incubator facility, a highlands development credit receiving area or  
33 redevelopment area, a tourism destination project, or transit oriented  
34 development; or

35 d. contain: a vacant commercial building having over 400,000  
36 square feet of office, laboratory, or industrial space available for  
37 occupancy for a period of over one year; or a site that has been  
38 negatively impacted by the approval of a "qualified business facility,"  
39 as defined pursuant to section 2 of P.L.2007, c.346 (C.34:1B-208).

40 "Professional employer organization" means an employee leasing  
41 company registered with the Department of Labor and Workforce  
42 Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

43 "Program" means the "Grow New Jersey Assistance Program"  
44 established pursuant to section 3 of P.L.2011, c.149 (C.34:1B-244).

45 "Public research university" means a public research university as  
46 defined in section 3 of P.L.1994, c.48 (C.18A:3B-3).

47 "Qualified business facility" means any building, complex of  
48 buildings or structural components of buildings, and all machinery and

1 equipment located within a qualified incentive area, used in connection  
2 with the operation of a business that is not engaged in final point of  
3 sale retail business at that location unless the building, complex of  
4 buildings or structural components of buildings, and all machinery and  
5 equipment located within a qualified incentive area, are used in  
6 connection with the operation of:

7 a. a final point of sale retail business located in a Garden State  
8 Growth Zone that will include a retail facility of at least 150,000  
9 square feet, of which at least 50 percent is occupied by either a full-  
10 service supermarket or grocery store; or

11 b. a tourism destination project located in the Atlantic City  
12 Tourism District as established pursuant to section 5 of P.L.2011, c.18  
13 (C.5:12-219).

14 "Qualified incentive area" means:

15 a. an aviation district;

16 b. a port district;

17 c. a distressed municipality or urban transit hub municipality;

18 d. an area (1) designated pursuant to the "State Planning Act,"  
19 P.L.1985, c.398 (C.52:18A-196 et seq.), as:

20 (a) Planning Area 1 (Metropolitan);

21 (b) Planning Area 2 (Suburban); or

22 (c) Planning Area 3 (Fringe Planning Area);

23 (2) located within a smart growth area and planning area  
24 designated in a master plan adopted by the New Jersey Meadowlands  
25 Commission pursuant to subsection (i) of section 6 of P.L.1968, c.404  
26 (C.13:17-6) or subject to a redevelopment plan adopted by the New  
27 Jersey Meadowlands Commission pursuant to section 20 of P.L.1968,  
28 c.404 (C.13:17-21);

29 (3) located within any land owned by the New Jersey Sports and  
30 Exposition Authority, established pursuant to P.L.1971, c.137 (C.5:10-  
31 1 et seq.), within the boundaries of the Hackensack Meadowlands  
32 District as delineated in section 4 of P.L.1968, c.404 (C.13:17-4);

33 (4) located within a regional growth area, rural development area  
34 zoned for industrial use as of the effective date of P.L.2016, c.75,  
35 town, village, or a military and federal installation area designated in  
36 the comprehensive management plan prepared and adopted by the  
37 Pinelands Commission pursuant to the "Pinelands Protection Act,"  
38 P.L.1979, c.111 (C.13:18A-1 et seq.);

39 (5) located within the planning area of the Highlands Region as  
40 defined in section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands  
41 development credit receiving area or redevelopment area;

42 (6) located within a Garden State Growth Zone;

43 (7) located within land approved for closure under any federal  
44 Commission on Base Realignment and Closure action; or

45 (8) located only within the following portions of the areas  
46 designated pursuant to the "State Planning Act," P.L.1985, c.398  
47 (C.52:18A-196 et seq.), as Planning Area 4A (Rural Planning Area),  
48 Planning Area 4B (Rural/Environmentally Sensitive) or Planning Area

1 5 (Environmentally Sensitive) if Planning Area 4A (Rural Planning  
2 Area), Planning Area 4B (Rural/Environmentally Sensitive) or  
3 Planning Area 5 (Environmentally Sensitive) is located within:

4 (a) a designated center under the State Development and  
5 Redevelopment Plan;

6 (b) a designated growth center in an endorsed plan until the State  
7 Planning Commission revises and readopts New Jersey's State  
8 Strategic Plan and adopts regulations to revise this definition as it  
9 pertains to Statewide planning areas;

10 (c) any area determined to be in need of redevelopment pursuant to  
11 sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and C.40A:12A-6) or  
12 in need of rehabilitation pursuant to section 14 of P.L.1992, c.79  
13 (C.40A:12A-14);

14 (d) any area on which a structure exists or previously existed  
15 including any desired expansion of the footprint of the existing or  
16 previously existing structure provided the expansion otherwise  
17 complies with all applicable federal, State, county, and local permits  
18 and approvals;

19 (e) the planning area of the Highlands Region as defined in section  
20 3 of P.L.2004, c.120 (C.13:20-3) or a highlands development credit  
21 receiving area or redevelopment area; or

22 (f) any area on which an existing tourism destination project is  
23 located.

24 "Qualified incentive area" shall not include any property located  
25 within the preservation area of the Highlands Region as defined in  
26 section 3 of P.L.2004, c.120 (C.13:20-3).

27 "Qualified incubator facility" means a commercial building located  
28 within a qualified incentive area: which contains 50,000 or more  
29 square feet of office, laboratory, or industrial space; which is located  
30 near, and presents opportunities for collaboration with, a research  
31 institution, teaching hospital, college, or university; and within which,  
32 at least 50 percent of the gross leasable area is restricted for use by one  
33 or more technology startup companies during the commitment period.

34 "Retained full-time job" means an eligible position that currently  
35 exists in New Jersey and is filled by a full-time employee but which,  
36 because of a potential relocation by the business, is at risk of being lost  
37 to another state or country, or eliminated. For the purposes of  
38 determining a number of retained full-time jobs, the eligible positions  
39 of an affiliate shall be considered eligible positions of the business. For  
40 the purposes of the certifications and annual reports required in the  
41 incentive agreement pursuant to subsection e. of section 4 of P.L.2011,  
42 c.149 (C.34:1B-245), to the extent an eligible position that was the  
43 basis of the award no longer exists, a business shall include as a  
44 retained full-time job a new eligible position that is filled by a full-  
45 time employee provided that the position is included in the order of  
46 date of hire and is not the basis for any other incentive award. For a  
47 project located in a Garden State Growth Zone which qualified for the  
48 "Municipal Rehabilitation and Economic Recovery Act," P.L.2002,

1 c.43 (C.52:27BBB-1 et al.), retained full-time job shall include any  
2 employee previously employed in New Jersey and transferred to the  
3 new location in the Garden State Growth Zone which qualified for the  
4 "Municipal Rehabilitation and Economic Recovery Act," P.L.2002,  
5 c.43 (C.52:27BBB-1 et al.).

6 "SDA district" means an SDA district as defined in section 3 of  
7 P.L.2000, c.72 (C.18A:7G-3).

8 "SDA municipality" means a municipality in which an SDA  
9 district is situate.

10 "State college" means a State college or university established  
11 pursuant to chapter 64 of Title 18A of the New Jersey Statutes.

12 "Targeted industry" means any industry identified from time to  
13 time by the authority which shall initially include advanced  
14 transportation and logistics, advanced manufacturing, aviation,  
15 autonomous vehicle and zero-emission vehicle research or  
16 development, clean energy, life sciences, hemp processing,  
17 information and high technology, finance and insurance, professional  
18 services, film and digital media, non-retail food and beverage  
19 businesses including food innovation, and other innovative industries  
20 that disrupt current technologies or business models.

21 "Technology startup company" means a for profit business that has  
22 been in operation fewer than five years and is developing or possesses  
23 a proprietary technology or business method of a high-technology or  
24 life science-related product, process, or service which the business  
25 intends to move to commercialization.

26 "Tourism destination project" means a qualified non-gaming  
27 business facility that will be among the most visited privately owned  
28 or operated tourism or recreation sites in the State, and which is  
29 located within the qualified incentive area and has been determined by  
30 the authority to be in an area appropriate for development and in need  
31 of economic development incentive assistance, including a non-  
32 gaming business within an established Tourism District with a  
33 significant impact on the economic viability of that District.

34 "Transit oriented development" means a qualified business facility  
35 located within a 1/2-mile radius, or one-mile radius for projects  
36 located in a Garden State Growth Zone, surrounding the mid-point of a  
37 New Jersey Transit Corporation, Port Authority Transit Corporation,  
38 or Port Authority Trans-Hudson Corporation rail, bus, or ferry station  
39 platform area, including all light rail stations.

40 "Urban transit hub" means an urban transit hub, as defined in  
41 section 2 of P.L.2007, c.346 (C.34:1B-208), that is located within an  
42 eligible municipality, as defined in section 2 of P.L.2007, c.346  
43 (C.34:1B-208) and also located within a qualified incentive area.

44 "Urban transit hub municipality" means a municipality: a. which  
45 qualifies for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et  
46 seq.), or which has continued to be a qualified municipality thereunder  
47 pursuant to P.L.2007, c.111; and b. in which 30 percent or more of the  
48 value of real property was exempt from local property taxation during

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22

1 tax year 2006. The percentage of exempt property shall be calculated  
2 by dividing the total exempt value by the sum of the net valuation  
3 which is taxable and that which is tax exempt.

4 (cf: P.L.2021, c.160, s.61)

5

6 4. This act shall take effect immediately.