

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3837

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 8, 2023

The Senate Economic Growth Committee reports favorably Senate Bill No. 3837, with committee amendments.

As amended and reported, this bill clarifies the process for appropriating revenue under the State Urban Enterprise Zone (UEZ) Program for use within UEZs. Specifically, this bill clarifies this process by: (1) requiring the revenues collected in UEZs from retail sales subject to the 50 percent sales tax exemption to be deposited in the Zone Assistance Fund (ZAF); (2) providing that the UEZ revenue flows directly to the ZAF; (3) appropriating \$82.5 million to the ZAF from the General Fund; (4) excluding the sales of medical and recreational cannabis, and related supplies from the 50 percent sales tax exemption within UEZs, as is currently the case for alcoholic beverages and other goods and services; and (5) making certain technical changes.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) clarify that the State Treasurer is required to deposit all UEZ revenues, as well as all moneys annually appropriated to the ZAF, into the fund; and

(2) provide technical corrections.