

**ASSEMBLY, No. 1614**

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**STATE OF NEW JERSEY**

**221st LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

**Sponsored by:**

**Assemblywoman PAMELA R. LAMPITT**

**District 6 (Burlington and Camden)**

**SYNOPSIS**

Establishes innovation zone program to stimulate technology industry clusters around New Jersey's research institutions; allows certain technology businesses located in certain innovation zones to receive certain tax credits under Grow New Jersey Assistance Program.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1   **AN ACT** establishing an innovation zone program in the New Jersey  
 2       Economic Development Authority, amending and supplementing  
 3       P.L.1974, c.80 (C.34:1B-1 et seq.), and amending P.L.2011,  
 4       c.149.

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

8  
 9       1. (New section) a. The Legislature finds and declares that:

10       (1) New Jersey's historic legacy of innovation and invention has  
 11       contributed to its national reputation as the home of numerous  
 12       advanced technology industries;

13       (2) New Jersey must continue to meet the challenges and  
 14       opportunities of the global marketplace by fostering the creation of  
 15       high-quality jobs that will sustain a knowledge-based economy that  
 16       thrives on innovation and entrepreneurship in order to bring  
 17       advanced technologies to market;

18       (3) New Jersey should capitalize on its competitive advantage  
 19       through economic development initiatives that support the State's  
 20       world-class academic research universities, colleges, and science  
 21       and technology industries;

22       (4) Relationships between industrial and academic research in  
 23       the State must be strengthened to sustain New Jersey's economy and  
 24       to propel it to an even higher level of performance;

25       (5) The State of New Jersey and the New Jersey Economic  
 26       Development Authority (authority) have supported the research and  
 27       development efforts of technology companies by developing  
 28       financial assistance programs and laboratory space in  
 29       commercialization centers underway in Camden, the New  
 30       Brunswick area, and Newark;

31       (6) The authority has the ability to acquire land and develop  
 32       shared infrastructure that is specialized to the needs of later stage  
 33       businesses such as pilot scale production centers;

34       (7) Pursuant to Executive Order No. 128 of 2004, Governor  
 35       McGreevey created three "innovation zones" to stimulate industry  
 36       clusters around certain research universities and research hospitals  
 37       (research institutions); and

38       (8) The Legislature enacted the "Economic Opportunity Act of  
 39       2013," P.L.2013, c.161 (C.52:27D-489p et al.) and other laws that  
 40       lead to job creation, innovation, and economic growth in the high-  
 41       technology industry in this State.

42       b. The Legislature determines that it is in the public interest to  
 43       establish three expanded innovation zones surrounding New  
 44       Jersey's research institutions, to be located in Greater Camden,  
 45       Greater New Brunswick, and Greater Newark and that:

**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.

1 (1) The goal of the innovation zones program is to attract high-  
2 technology businesses and research scientists to these defined areas,  
3 where proximity to research institutions will increase the  
4 collaborative research effort between the academic communities  
5 and New Jersey's high-technology industry, resulting in business  
6 and job growth;

7 (2) These innovation zones will serve to spur partnerships  
8 between New Jersey's research institutions, and industries, and will  
9 encourage the more rapid transfer of discoveries from New Jersey's  
10 laboratories to the marketplace;

11 (3) The creation of the innovation zones will require the  
12 focusing of resources on geographic areas where research clusters  
13 presently exist or have the potential to form because of the location  
14 of research institutions; and

15 (4) These geographic areas will also be made more attractive to  
16 businesses, entrepreneurs, and researchers by the availability of  
17 alternative housing opportunities, access to public transportation,  
18 and workforce development initiatives that provide customized  
19 training for all level of employees.  
20

21 2. (New section) As used in section 1 through 9 of P.L. , c.  
22 (C. ) (pending before the Legislature as this bill):

23 "Authority" means the New Jersey Economic Development  
24 Authority established pursuant to section 4 of P.L.1974, c.80  
25 (C.34:1B-4).

26 "Greater Camden" means Camden City, Egg Harbor Township,  
27 Galloway Township, Glassboro Borough, Harrison Township in  
28 Gloucester County, Mantua Township, and Stratford Borough.

29 "Greater New Brunswick" means East Windsor Township,  
30 Ewing Township, Franklin Township in Somerset County,  
31 Hopewell Township and Lawrence Township in Mercer County,  
32 New Brunswick City, North Brunswick Township, Piscataway  
33 Township, Plainsboro Township, Princeton Borough, South  
34 Brunswick Township, Trenton City, and West Windsor Township.

35 "Greater Newark" means Belleville Township, Clifton City, East  
36 Orange City, Hoboken City, Little Falls Township, Livingston  
37 Township, Montclair Township, Newark City, Nutley Township,  
38 and Orange City.

39 "Innovation zone" means a geographic area that surrounds a  
40 research institution, which has the potential of attracting a  
41 collaborative research effort between the academic communities,  
42 research institutions, and New Jersey's high-technology industry,  
43 resulting in business and job growth.

44 "Research institution" means an institution of higher education,  
45 as defined in section 2 of P.L.1977, c.123 (C.18A:68-11.2), a  
46 research hospital, or any combination thereof.

47 "Secretary" means the Secretary of Higher Education.

1       3. (New section) The authority shall establish an "innovation  
2 zone" program within the authority which shall consist of three  
3 innovation zones, with each zone surrounding all research  
4 institutions located in Greater Camden, Greater New Brunswick,  
5 and Greater Newark.

6  
7       4. (New section) An innovation zone may consist of one or  
8 more subzones established by the authority where an innovation  
9 zone consists of geographic areas or municipalities that are non-  
10 contiguous so long as a subzone surrounds a research institution.  
11 The executive director of the authority shall recommend the precise  
12 geographic boundaries of the innovation zones and subzones, which  
13 shall surround all research institutions within Greater Camden,  
14 Greater New Brunswick, and Greater Newark, to the board  
15 members of the authority, who shall have final approval to the  
16 geographic boundaries of the innovation zones and subzones. An  
17 innovation zone or subzone's geographic boundaries shall be  
18 established in order to accommodate the targeting of financial  
19 resources to those geographic areas surrounding a research  
20 institution, as provided pursuant to section 5 of P.L. , c. (C. )  
21 (pending before the Legislature as this bill).

22  
23       5. (New section) The authority, with the approval of the State  
24 Treasurer, shall modify its existing business assistance programs, if  
25 permissible by law, to give bonuses or other enhanced incentives to  
26 high-technology businesses that locate in an innovation zone, so  
27 long as the business location is within the surroundings of a  
28 research institution, as determined by the authority in the  
29 designation of the innovation zone.

30  
31       6. (New section) The authority and the secretary shall modify  
32 their programs, if permissible by law, to promote and support  
33 networks and collaboration between high-technology businesses  
34 and research institutions in the innovation zones, to increase federal  
35 funding to research institutions in areas of strategic importance to  
36 New Jersey's high-technology industry, to promote the transfer of  
37 technology and commercialization of new ideas in the innovation  
38 zones, and to further develop support for high-technology  
39 companies in the innovation zones including, but not limited to,  
40 business incubation and grant writing assistance services.

41  
42       7. (New section) The authority shall work cooperatively with  
43 other State departments, agencies, boards, commissions, and  
44 authorities to explore and implement opportunities to direct  
45 resources to those areas within the innovation zones that surround a  
46 research institution, as determined by the authority pursuant to  
47 section 5 of P.L. , c. (C. ) (pending before the Legislature  
48 as this bill) and may provide technology, financial, and workforce

1 development opportunities, infrastructure, and housing elsewhere  
2 within the innovation zones. With the assistance of these State  
3 entities, the executive director of the authority and the secretary  
4 may recommend potential future innovation zones or subzones  
5 surrounding other research institutions to the board members of the  
6 authority to enhance cluster-based economic development strategies  
7 anchored by research institutions.

8  
9 8. (New section) a. The authority and the secretary are  
10 authorized to call upon any department, authority, commission,  
11 board, office, division, or agency of the State to provide any  
12 information, resources, or other assistance deemed necessary to  
13 discharge their responsibilities under P.L. , c. (C. )  
14 (pending before the Legislature as this bill), including, but not be  
15 limited to: the Department of Treasury for assistance with high-  
16 technology business funding assistance programs; the Department  
17 of Labor and Workforce Development for assistance in developing  
18 workforce development strategies; the Department of  
19 Transportation and the New Jersey Transit Corporation for  
20 assistance in enhancing public transportation networks and  
21 infrastructure; the New Jersey Business Action Center to assist in  
22 business attraction efforts and advising on smart growth  
23 development strategies; and the Department of Community Affairs  
24 for assistance in expanding housing opportunities and the  
25 coordination with the Urban Enterprise Zone program.

26 b. Each department, authority, commission, board, office,  
27 division, and agency of the State is hereby required to cooperate  
28 with the authority and the secretary to furnish the authority and  
29 commission with any information, personnel, and assistance as is  
30 necessary to accomplish the purposes of P.L. , c. (C. )  
31 (pending before the Legislature as this bill).

32  
33 9. (New section) The authority shall establish an advisory  
34 committee for each innovation zone whose membership shall  
35 selected by the executive director of the authority. The advisory  
36 committee shall consist of local technology business leaders and  
37 representatives from the research community. Each advisory  
38 committee shall meet quarterly to advise the authority and the  
39 secretary with respect to the functioning of the innovation zones  
40 and the needs of the local high-technology industry. Members of  
41 the advisory committee shall serve without compensation, but may  
42 be reimbursed for their actual and necessary expenses incurred in  
43 the performance of their duties pursuant to P.L. , c. (C. )  
44 (pending before the Legislature as this bill) within the limits of  
45 funds appropriated or otherwise made available by the authority to  
46 the advisory committee for its purposes.

1       10. Section 5 of P.L.1974, c.80 (C.34:1B-5) is amended to read  
2 as follows:

3       5. The authority shall have the following powers:

4       a. To adopt bylaws for the regulation of its affairs and the  
5 conduct of its business;

6       b. To adopt and have a seal and to alter the same at pleasure;

7       c. To sue and be sued;

8       d. To acquire in the name of the authority by purchase or  
9 otherwise, on **[such]** terms and conditions and **[such]** manner as  
10 **[it]** the authority may deem proper, or by the exercise of the power  
11 of eminent domain in the manner provided by the "Eminent Domain  
12 Act of 1971," P.L.1971, c.361 (C.20:3-1 et seq.), any lands or  
13 interests therein or other property which **[it]** the authority may  
14 determine is reasonably necessary for any project; provided,  
15 however, that the authority, in connection with any project, shall  
16 not take by exercise of the power of eminent domain any real  
17 property except upon consent thereto given by resolution of the  
18 governing body of the municipality in which **[such]** the real  
19 property is located; and provided further that the authority shall be  
20 limited in its exercise of the power of eminent domain in connection  
21 with any project in qualifying municipalities, as defined under the  
22 provisions of P.L.1978, c.14 (C.52:27D-178 et seq.), or to  
23 municipalities which had a population, according to the latest  
24 federal decennial census, in excess of 10,000;

25       e. To enter into contracts with a person upon **[such]** terms and  
26 conditions as the authority shall determine to be reasonable,  
27 including, but not limited to, reimbursement for the planning,  
28 designing, financing, construction, reconstruction, improvement,  
29 equipping, furnishing, operation, and maintenance of the project  
30 and to pay or compromise any claims arising therefrom;

31       f. To establish and maintain reserve and insurance funds with  
32 respect to the financing of the project or the school facilities project  
33 and any project financed pursuant to the "Municipal Rehabilitation  
34 and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et  
35 al.);

36       g. To sell, convey, or lease to any person all or any portion of a  
37 project for **[such]** consideration and upon **[such]** terms as the  
38 authority may determine to be reasonable;

39       h. To mortgage, pledge, or assign or otherwise encumber all or  
40 any portion of a project, or revenues, whenever **[it]** the authority  
41 shall find **[such]** that action to be in furtherance of the purposes of  
42 **[this act]** P.L.1974, c.80 (C.34:1B-1 et seq.), P.L.2000, c.72  
43 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic  
44 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007,  
45 c.137 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009,  
46 c.90 (C.52:27D-489c et al.);

- 1 i. To grant options to purchase or renew a lease for any of  
2 **its** the authority's projects on such terms as the authority may  
3 determine to be reasonable;
- 4 j. To contract for and to accept any gifts or grants or loans of  
5 funds or property or financial or other aid in any form from the  
6 United States of America or any agency or instrumentality thereof,  
7 or from the State or any agency, instrumentality, or political  
8 subdivision thereof, or from any other source and to comply,  
9 subject to the provisions of P.L.1974, c.80 (C.34:1B-1 et seq.),  
10 section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72  
11 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic  
12 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and  
13 P.L.2007, c.137 (C.52:18A-235 et al.), with the terms and  
14 conditions thereof;
- 15 k. In connection with any action undertaken by the authority in  
16 the performance of its duties and any application for assistance or  
17 commitments therefor and modifications thereof, to require and  
18 collect **such** fees and charges as the authority shall determine to  
19 be reasonable, including, but not limited to, fees and charges for the  
20 authority's administrative, organizational, insurance, operating,  
21 legal, and other expenses;
- 22 l. To adopt, amend, and repeal regulations to carry out the  
23 provisions of P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of  
24 P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.),  
25 the "Municipal Rehabilitation and Economic Recovery Act,"  
26 P.L.2002, c.43 (C.52:27BBB-1 et al.), and P.L.2007, c.137  
27 (C.52:18A-235 et al.);
- 28 m. To acquire, purchase, manage and operate, hold, and dispose  
29 of real and personal property or interests therein, take assignments  
30 of rentals and leases, and make and enter into all contracts, leases,  
31 agreements, and arrangements necessary or incidental to the  
32 performance of **its** the authority's duties;
- 33 n. To purchase, acquire, and take assignments of notes,  
34 mortgages, and other forms of security and evidences of  
35 indebtedness;
- 36 o. To purchase, acquire, attach, seize, accept, or take title to  
37 any project or school facilities project by conveyance or by  
38 foreclosure, and sell, lease, manage, or operate any project or  
39 school facilities project for a use specified in **this act** P.L.1974,  
40 c.80 (C.34:1B-1 et seq.), P.L.2000, c.72 (C.18A:7G-1 et al.), the  
41 "Municipal Rehabilitation and Economic Recovery Act," P.L.2002,  
42 c.43 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.),  
43 and sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.);
- 44 p. To borrow money and to issue bonds of the authority and to  
45 provide for the rights of the holders thereof, as provided in  
46 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401  
47 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal  
48 Rehabilitation and Economic Recovery Act," P.L.2002, c.43

1 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and  
2 sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.);

3 q. To extend credit or make loans to any person for the  
4 planning, designing, acquiring, constructing, reconstructing,  
5 improving, equipping, and furnishing of a project or school  
6 facilities project, which credits or loans may be secured by loan and  
7 security agreements, mortgages, leases, and any other instruments,  
8 upon [such] terms and conditions as the authority shall deem  
9 reasonable, including provision for the establishment and  
10 maintenance of reserve and insurance funds, and to require the  
11 inclusion in any mortgage, lease, contract, loan and security  
12 agreement, or other instrument, of [such] provisions for the  
13 construction, use, operation and maintenance, and financing of a  
14 project or school facilities project as the authority may deem  
15 necessary or desirable;

16 r. To guarantee up to [90%] 90 percent of the amount of a  
17 loan to a person, if the proceeds of the loan are to be applied to the  
18 purchase and installation, in a building devoted to industrial or  
19 commercial purposes, or in an office building, of an energy  
20 improvement system;

21 s. To employ consulting engineers, architects, attorneys, real  
22 estate counselors, appraisers, and [such] other consultants and  
23 employees as may be required in the judgment of the redevelopment  
24 utility to carry out the purposes of P.L.1974, c.80 (C.34:1B-1 et  
25 seq.), section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72  
26 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic  
27 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007,  
28 c.137 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009,  
29 c.90 (C.52:27D-489c et al.), and to fix and pay their compensation  
30 from funds available to the redevelopment utility therefor, all  
31 without regard to the provisions of Title 11A of the New Jersey  
32 Statutes;

33 t. To do and perform any acts and things authorized by  
34 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401  
35 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal  
36 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
37 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-235 et al.), and  
38 sections 3 through 18 of P.L.2009, c.90 (C.52:27D-489c et al.),  
39 under, through or by means of its own officers, agents, and  
40 employees, or by contract with any person;

41 u. To procure insurance against any losses in connection with  
42 [its] authority property, operations, or assets in [such] amounts  
43 and from [such] insurers as [it] the authority deems desirable;

44 v. To do any and all things necessary or convenient to carry out  
45 [its] the authority's purposes and exercise the powers given and  
46 granted in P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of  
47 P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.),



- 1 the "Municipal Rehabilitation and Economic Recovery Act,"  
2 P.L.2002, c.43 (C.52:27BBB-1 et al.), P.L.2007, c.137 (C.52:18A-  
3 235 et al.), and sections 3 through 18 of P.L.2009, c.90 (C.52:27D-  
4 489c et al.);
- 5 w. To construct, reconstruct, rehabilitate, improve, alter, equip,  
6 maintain or repair, or provide for the construction, reconstruction,  
7 improvement, alteration, equipping or maintenance, or repair of any  
8 development property and lot, award and enter into construction  
9 contracts, purchase orders, and other contracts with respect thereto,  
10 upon **[such]** terms and conditions as the authority shall determine  
11 to be reasonable, including, but not limited to, reimbursement for  
12 the planning, designing, financing, construction, reconstruction,  
13 improvement, equipping, furnishing, operation, and maintenance of  
14 **[any such]** the development property and the settlement of any  
15 claims arising therefrom, and the establishment and maintenance of  
16 reserve funds with respect to the financing of **[such]** the  
17 development property;
- 18 x. When authorized by the governing body of a municipality  
19 exercising jurisdiction over an urban growth zone, to construct,  
20 cause to be constructed, or to provide financial assistance to  
21 projects in an urban growth zone which shall be exempt from the  
22 terms and requirements of the land use ordinances and regulations,  
23 including, but not limited to, the master plan and zoning ordinances,  
24 of **[such]** the municipality;
- 25 y. To enter into business employment incentive agreements as  
26 provided in the "Business Employment Incentive Program Act,"  
27 P.L.1996, c.26 (C.34:1B-124 et al.);
- 28 z. To enter into agreements or contracts, execute instruments,  
29 and do and perform all acts or things necessary, convenient, or  
30 desirable for the purposes of the redevelopment utility to carry out  
31 any power expressly provided pursuant to P.L.1974, c.80 (C.34:1B-  
32 1 et seq.), P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007, c.137  
33 (C.52:18A-235 et al.), including, but not limited to, entering into  
34 contracts with the State Treasurer, the Commissioner of Education,  
35 districts, the New Jersey Schools Development Authority, and any  
36 other entity which may be required in order to carry out the  
37 provisions of P.L.2000, c.72 (C.18A:7G-1 et al.), P.L.2007, c.137  
38 (C.52:18A-235 et al.), and sections 3 through 18 of P.L.2009, c.90  
39 (C.52:27D-489c et al.);
- 40 aa. (Deleted by amendment, P.L.2007, c.137);
- 41 bb. To make and contract to make loans to local units to finance  
42 the cost of school facilities projects and to acquire and contract to  
43 acquire bonds, notes, or other obligations issued or to be issued by  
44 local units to evidence the loans, all in accordance with the  
45 provisions of P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007,  
46 c.137 (C.52:18A-235 et al.);

- 1 cc. Subject to any agreement with holders of its authority  
2 bonds issued to finance a project or school facilities project, to  
3 obtain as security, or to provide liquidity for payment of all or any  
4 part of the principal of and interest and premium on the bonds of  
5 the authority or for the purchase upon tender or otherwise of the  
6 bonds, lines of credit, letters of credit, reimbursement agreements,  
7 interest rate exchange agreements, currency exchange agreements,  
8 interest rate floors or caps, options, puts, or calls to hedge payment,  
9 currency, rate, spread, or similar exposure or similar agreements,  
10 float agreements, forward agreements, insurance contract, surety  
11 bond, commitment to purchase or sell bonds, purchase, or sale  
12 agreement, or commitments or other contracts or agreements, and  
13 other security agreements or instruments in any amounts and upon  
14 any terms as the authority may determine and pay any fees and  
15 expenses required in connection therewith;
- 16 dd. To charge to and collect from local units, the State, and any  
17 other person, any fees and charges in connection with the  
18 authority's actions undertaken with respect to school facilities  
19 projects, including, but not limited to, fees and charges for the  
20 authority's administrative, organization, insurance, operating, and  
21 other expenses incident to the financing of school facilities projects;
- 22 ee. To make loans to refinance solid waste facility bonds  
23 through the issuance of bonds or other obligations and the execution  
24 of any agreements with counties or public authorities to effect the  
25 refunding or rescheduling of solid waste facility bonds, or otherwise  
26 provide for the payment of all or a portion of any series of solid  
27 waste facility bonds. Any county or public authority refunding or  
28 rescheduling its solid waste facility bonds pursuant to this  
29 subsection shall provide for the payment of not less than fifty  
30 percent of the aggregate debt service for the refunded or  
31 rescheduled debt of the particular county or public authority for the  
32 duration of the loan; except that, whenever the solid waste facility  
33 bonds to be refinanced were issued by a public authority and the  
34 county solid waste facility was utilized as a regional county solid  
35 waste facility, as designated in the respective adopted district solid  
36 waste management plans of the participating counties as approved  
37 by the department prior to November 10, 1997, and the utilization  
38 of the facility was established pursuant to tonnage obligations set  
39 forth in their respective interdistrict agreements, the public  
40 authority refunding or rescheduling its solid waste facility bonds,  
41 pursuant to this subsection, shall provide for the payment of a  
42 percentage of the aggregate debt service for the refunded or  
43 rescheduled debt of the public authority not to exceed the  
44 percentage of the specified tonnage obligation of the host county for  
45 the duration of the loan. Whenever the solid waste facility bonds  
46 are the obligation of a public authority, the relevant county shall  
47 execute a deficiency agreement with the authority, which shall  
48 provide that the county pledges to cover any shortfall and to pay

1 deficiencies in scheduled repayment obligations of the public  
2 authority. All costs associated with the issuance of bonds pursuant  
3 to this subsection may be paid by the authority from the proceeds of  
4 these bonds. Any county or public authority is hereby authorized to  
5 enter into any agreement with the authority necessary, desirable, or  
6 convenient to effectuate the provisions of this subsection.

7 The authority shall not issue bonds or other obligations to effect  
8 the refunding or rescheduling of solid waste facility bonds after  
9 December 31, 2002. The authority may refund its own bonds issued  
10 for the purposes herein at any time;

11 ff. To pool loans for any local government units that are  
12 refunding bonds and do and perform any and all acts or things  
13 necessary, convenient, or desirable for the purpose of the authority  
14 to achieve more favorable interest rates and terms for those local  
15 governmental units;

16 gg. To finance projects approved by the board, provide staff  
17 support to the board, oversee and monitor progress on the part of  
18 the board in carrying out the revitalization, economic development,  
19 and restoration projects authorized pursuant to the "Municipal  
20 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
21 (C.52:27BBB-1 et al.) and otherwise fulfilling its responsibilities  
22 pursuant thereto;

23 hh. To offer financial assistance to qualified film production  
24 companies as provided in the "New Jersey Film Production  
25 Assistance Act," P.L.2003, c.182 (C.34:1B-178 et al.); **[and]**

26 ii. To finance or develop private or public parking facilities or  
27 structures, which may include the use of solar photovoltaic  
28 equipment, in municipalities qualified to receive State aid pursuant  
29 to the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.) and  
30 municipalities that contain areas designated pursuant to P.L.1985,  
31 c.398 (C.52:18A-196 et al.) as Planning Area 1 (Metropolitan),  
32 Planning Area 2 (Suburban), or a town center, and to provide  
33 appropriate assistance, including but not limited to, extensions of  
34 credit, loans, and guarantees, to municipalities qualified to receive  
35 State aid pursuant to the provisions of P.L.1978, c.14 (C.52:27D-  
36 178 et seq.) and municipalities that contain areas designated  
37 pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning  
38 Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town  
39 center, and their agencies and instrumentalities or to private entities  
40 whose projects are located in those municipalities, in order to  
41 facilitate the financing and development of parking facilities or  
42 structures in such municipalities. The authority may serve as the  
43 issuing agent of bonds to finance the undertaking of a project for  
44 the purposes of this subsection; and

45 jj. To establish and maintain an "innovation zone program"  
46 pursuant to sections 1 through 9 of P.L. , c. (C. ) (pending  
47 before the Legislature as this bill) for the purposes set forth therein.  
48 (cf: P.L.2010, c.28, s.3)

1        11. Section 5 of P.L.2011, c.149 (C.34:1B-246) is amended to  
2 read as follows:

3        5. a.        The total amount of the tax credit for an eligible  
4 business for each new or retained full-time job shall be as set forth  
5 in subsections b. through f. of this section. The total tax credit  
6 amount shall be calculated and credited to the business annually for  
7 each year of the eligibility period. Notwithstanding any other  
8 provisions of P.L.2013, c.161 (C.52:27D-489p et al.), a business  
9 may assign its ability to apply for the tax credit under this  
10 subsection to a non-profit organization with a mission dedicated to  
11 attracting investment and completing development and  
12 redevelopment projects in a Garden State Growth Zone. The non-  
13 profit organization or organization operating a qualified incubator  
14 facility may make an application on behalf of a business which  
15 meets the requirements for the tax credit, or a group of non-  
16 qualifying businesses or positions, located at a qualified business  
17 facility, that shall be considered a unified project for the purposes  
18 of the incentives provided under this section. For any project  
19 located in a Garden State Growth Zone that qualifies under the  
20 "Municipal Rehabilitation and Economic Recovery Act," P.L.2002,  
21 c.43 (C.52:27BBB-1 et al.), or any project located in a Garden State  
22 Growth Zone which contains a Tourism District as established  
23 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated  
24 by the Casino Reinvestment Development Authority, and which  
25 will include a retail facility of at least 150,000 square feet, of which  
26 at least 50 percent will be occupied by either a full-service  
27 supermarket or grocery store, a business may assign its ability to  
28 apply for the tax credit under this subsection to the developer of the  
29 facility. The developer may make an application on behalf of the  
30 business which meets the requirements for the tax credit, or a group  
31 of non-qualifying businesses located at the business facility, that  
32 shall be considered a unified project for the purposes of the  
33 incentives provided under this section, and the developer may apply  
34 for tax credits available based on the number of jobs provided by  
35 the business or businesses and the total capital investment of the  
36 business or businesses and the developer.

37        b.        The base amount of the tax credit for each new or retained  
38 full-time job shall be as follows:

39        (1) (a) for a qualified business facility located within an urban  
40 transit hub municipality, located within a Garden State Growth  
41 Zone, located within an innovation zone established pursuant to  
42 P.L. , c. (C. ) (pending before the Legislature as this bill)  
43 and located in Greater Camden as defined in P.L. , c. (C. )  
44 (pending before the Legislature as this bill), or which is a mega  
45 project, \$5,000 per year;

46        (b) for a qualified business facility located within a Garden State  
47 Create Zone and used by an eligible business in a targeted industry

- 1 to conduct a collaborative research relationship with a doctoral
- 2 university within the zone, \$5,000 per year;
- 3 (2) for a qualified business facility located within a distressed
- 4 municipality but not qualifying under paragraph (1) of this
- 5 subsection, \$4,000 per year;
- 6 (3) for a project in a priority area, \$3,000 per year; and
- 7 (4) for a project in other eligible areas, \$500 per year.
- 8 c. In addition to the base amount of the tax credit, the amount
- 9 of the tax credit to be awarded for each new or retained full-time
- 10 job shall be increased if the qualified business facility meets any of
- 11 the following priority criteria or other additional or replacement
- 12 criteria determined by the authority from time to time in response to
- 13 evolving economic or market conditions:
- 14 (1) for a qualified business facility located in a deep poverty
- 15 pocket or in an area that is the subject of a Choice Neighborhoods
- 16 Transformation Plan funded by the federal Department of Housing
- 17 and Urban Development, an increase of \$1,500 per year;
- 18 (2) for a qualified business facility located in a qualified
- 19 incubator facility, an increase of \$500 per year;
- 20 (3) for a qualified business facility located in a mixed-use
- 21 development that incorporates sufficient moderate income housing
- 22 on site to accommodate a minimum of 20 percent of the full-time
- 23 employees of the business, an increase of \$500 per year;
- 24 (4) for a qualified business facility located within a transit
- 25 oriented development, an increase of \$2,000 per year;
- 26 (5) for a qualified business facility, other than a mega project, at
- 27 which the capital investment in industrial premises for industrial
- 28 use by the business is in excess of the minimum capital investment
- 29 required for eligibility pursuant to subsection b. of section 3 of
- 30 P.L.2011, c.149 (C.34:1B-244), an increase of \$1,000 per year for
- 31 each additional amount of investment that exceeds the minimum
- 32 amount required for eligibility by 20 percent, with a maximum
- 33 increase of \$3,000 per year;
- 34 (6) for a business with new full-time jobs and retained full-time
- 35 jobs at the project with an average salary in excess of the existing
- 36 average salary for the county in which the project is located, or, in
- 37 the case of a project in a Garden State Growth Zone, a business that
- 38 employs full-time positions at the project with an average salary in
- 39 excess of the average salary for the Garden State Growth Zone, an
- 40 increase of \$250 per year during the commitment period for each 35
- 41 percent by which the project's average salary levels exceeds the
- 42 county or Garden State Growth Zone average salary, with a
- 43 maximum increase of \$1,500 per year;
- 44 (7) for a business with large numbers of new full-time jobs and
- 45 retained full-time jobs during the commitment period, the increases
- 46 shall be in accordance with the following schedule:
- 47 (a) if the number of new full-time jobs and retained full-time
- 48 jobs is between 251 and 400, \$500 per year;

- 1 (b) if the number of new full-time jobs and retained full-time  
2 jobs is between 401 and 600, \$750 per year;
- 3 (c) if the number of new full-time jobs and retained full-time  
4 jobs is between 601 and 800, \$1000 per year;
- 5 (d) if the number of new full-time jobs and retained full-time  
6 jobs is between 801 and 1,000, \$1,250 per year;
- 7 (e) if the number of new full-time jobs and retained full-time  
8 jobs is in excess of 1,000, \$1,500 per year;
- 9 (8) for a business in a targeted industry, an increase of \$500 per  
10 year;
- 11 (9) for a qualified business facility exceeding the Leadership in  
12 Energy and Environmental Design's "Silver" rating standards or  
13 completes substantial environmental remediation, an additional  
14 increase of \$250 per year;
- 15 (10) for a mega project or a project located within a Garden  
16 State Growth Zone at which the capital investment in industrial  
17 premises for industrial use by the business exceeds the minimum  
18 capital investment required for eligibility pursuant to subsection b.  
19 of section 3 of P.L.2011, c.149 (C.34:1B-244), an increase of  
20 \$1,000 per year for each additional amount of investment that  
21 exceeds the minimum amount by 20 percent, with a maximum  
22 increase of \$5,000 per year;
- 23 (11) for a project in which a business retains at least 400 jobs  
24 and is located within the municipality in which it was located  
25 immediately prior to the filing of the application hereunder and is  
26 the United States headquarters of an automobile manufacturer, an  
27 increase of \$1,500 per year;
- 28 (12) for a project located in a municipality in Atlantic,  
29 Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean,  
30 and Salem counties with a 2007 Municipality Revitalization Index  
31 greater than 465, an increase of \$1,000 per year;
- 32 (13) for a project located within a half-mile of any light rail  
33 station constructed after the effective date of P.L.2013, c.161  
34 (C.52:27D-489p et al.), an increase of \$1,000 per year;
- 35 (14) for a marine terminal project in a municipality located  
36 outside the Garden State Growth Zone, but within the geographical  
37 boundaries of the South Jersey Port District, an increase of \$1,500  
38 per year;
- 39 (15) for a project located within an area determined to be in  
40 need of redevelopment pursuant to sections 5 and 6 of P.L.1992,  
41 c.79 (C.40A:12A-5 and C.40A:12A-6), and which is located within  
42 a quarter mile of at least one United States Highway and at least  
43 two New Jersey State Highways, an increase of \$1,500 per year;
- 44 (16) for a project that generates solar energy on site for use  
45 within the project of an amount that equals at least 50 percent of the  
46 project's electric supply service needs, an increase of \$250 per year;
- 47 (17) for a qualified business facility that includes a vacant  
48 commercial building having over 1,000,000 square feet of office or

laboratory space available for occupancy for a period of over one year, an increase of \$1,000 per year; and

(18) for an eligible business in a targeted industry at a qualified business facility on the campus of a college or university other than a doctoral university, or at a qualified business facility within a three-mile radius of the outermost boundary of the campus of a college or university other than a doctoral university, which facility is used by the business to conduct a collaborative research relationship with the college or university, an increase of \$1,000 per year. The boundary of the campus of a college or university shall be based upon a map appearing in the college's or university's official catalog or other official publication on the effective date of P.L.2017, c.221.

d. The gross amount of the tax credit for an eligible business for each new or retained full-time job shall be the sum of the base amount as set forth pursuant to subsection b. of this section and the various additional bonus amounts for which the business is eligible pursuant to subsection c. of this section, subject to the following limitations:

(1) for a mega project, an innovation zone established pursuant to P.L. , c. (C. ) (pending before the Legislature as this bill) and located in Greater Camden as defined in P.L. , c. (C. ) (pending before the Legislature as this bill), or a project in a Garden State Growth Zone, the gross amount for each new or retained full-time job shall not exceed \$15,000 per year;

(2) for a qualified business facility located within an urban transit hub municipality or a Garden State Create Zone, the gross amount for each new or retained full-time job shall not exceed \$12,000 per year;

(3) for a qualified business facility in a distressed municipality the gross amount for each new or retained full-time job shall not exceed \$11,000 per year;

(4) for a qualified business facility in other priority areas, the gross amount for each new or retained full-time job shall not exceed \$10,500 per year;

(5) for a qualified business facility in other eligible areas, the gross amount for each new or retained full-time job shall not exceed \$6,000 per year; and

(6) for a disaster recovery project, the gross amount for each new or retained full-time job shall not exceed \$2,000 per year.

Notwithstanding anything to the contrary set forth herein and in the provisions of subsections a. through f. of this section, but subject to the provisions of paragraph (1) of subsection f. of this section, for a project located within a Garden State Growth Zone which qualifies for the "Municipal Rehabilitation and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), which creates 35 or more full-time jobs new to the municipality, the total tax credit shall be:

- 1 (a) for a project which creates 35 or more full-time jobs new to  
2 the municipality and makes a capital investment of at least  
3 \$5,000,000, the total tax credit amount per full-time job shall be the  
4 greater of: (i) the total tax credit amount for a qualifying project in  
5 a Garden State Growth Zone as calculated pursuant to subsections  
6 a. through f. of this section; or (ii) the total capital investment of the  
7 project divided by the total number of full-time jobs at that project  
8 but not greater than \$2,000,000 per year over the grant term of ten  
9 years;
- 10 (b) for a project which creates 70 or more full-time jobs new to  
11 the municipality and makes a capital investment of at least  
12 \$10,000,000, the total tax credit amount per full-time job shall be  
13 the greater of: (i) the total tax credit amount for a qualifying project  
14 in a Garden State Growth Zone as calculated pursuant to  
15 subsections a. through f. of this section; or (ii) the total capital  
16 investment of the project divided by the total number of full-time  
17 jobs at that project but not greater than \$3,000,000 per year over the  
18 grant term of ten years;
- 19 (c) for a project which creates 100 or more full-time jobs new to  
20 the municipality and makes a capital investment of at least  
21 \$15,000,000, the total tax credit amount per full-time job shall be  
22 the greater of: (i) the total tax credit amount for a qualifying project  
23 in a Garden State Growth Zone as calculated pursuant to  
24 subsections a. through f. of this section; or (ii) the total capital  
25 investment of the project divided by the total number of full-time  
26 jobs at that project but not greater than \$4,000,000 per year over the  
27 grant term of ten years;
- 28 (d) for a project which creates 150 or more full-time jobs new to  
29 the municipality and makes a capital investment of at least  
30 \$20,000,000, the total tax credit amount per full-time job shall be  
31 the greater of: (i) the total tax credit amount for a qualifying project  
32 in a Garden State Growth Zone as calculated pursuant to  
33 subsections a. through f. of this section; or (ii) the total capital  
34 investment of the project divided by the total number of full-time  
35 jobs at that project but not greater than \$5,000,000 per year over the  
36 grant term of ten years; or
- 37 (e) for a project which creates 250 or more full-time jobs new to  
38 the municipality and makes a capital investment of at least  
39 \$30,000,000, the total tax credit amount per full-time job shall be  
40 the greater of: (i) the total tax credit amount for a qualifying project  
41 in a Garden State Growth Zone as calculated pursuant to  
42 subsections a. through f. of this section; or (ii) the total capital  
43 investment of the project divided by the total number of full-time  
44 jobs as defined herein at that project divided by the ten-year grant  
45 term.
- 46 e. After the determination by the authority of the gross amount  
47 of tax credits for which a business is eligible pursuant to subsection  
48 d. of this section, the final total tax credit amount shall be



1 calculated as follows: (1) for each new full-time job, the business  
2 shall be allowed tax credits equaling 100 percent of the gross  
3 amount of tax credits for each new full-time job; and (2) for each  
4 retained full-time job, the business shall be allowed tax credits  
5 equaling the lesser of 50 percent of the gross amount of tax credits  
6 for each retained full-time job, or one-tenth of the capital  
7 investment divided by the number of retained and new full-time  
8 jobs per year over the grant term of ten years, unless the jobs are  
9 part of a mega project which is the United States headquarters of an  
10 automobile manufacturer located within a priority area or in a  
11 Garden State Growth Zone, in which case the business shall be  
12 entitled to tax credits equaling 100 percent of the gross amount of  
13 tax credits for each retained full-time job, or unless the new  
14 qualified business facility would replace a facility that has been  
15 wholly or substantially damaged as a result of a federally-declared  
16 disaster, in which case the business shall be entitled to tax credits  
17 equaling 100 percent of the gross amount of tax credits for each  
18 retained full-time job.

19 f. Notwithstanding the provisions of subsections a. through e.  
20 of this section, for each application approved by the authority's  
21 board, the amount of tax credits available to be applied by the  
22 business annually shall not exceed:

23 (1) \$35,000,000 and provides a net benefit to the State as  
24 provided herein with respect to a qualified business facility in a  
25 Garden State Growth Zone which qualifies under the "Municipal  
26 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
27 (C.52:27BBB-1 et al.), or which contains a Tourism District as  
28 established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and  
29 regulated by the Casino Reinvestment Development Authority;

30 (2) \$30,000,000 and provides a net benefit to the State as  
31 provided herein with respect to a mega project, an innovation zone  
32 established pursuant to P.L. , c. (C. ) (pending before the  
33 Legislature as this bill) and located in Greater Camden as defined in  
34 P.L. , c. (C. ) (pending before the Legislature as this bill),  
35 or a qualified business facility in a Garden State Growth Zone;

36 (3) \$10,000,000 and provides a net benefit to the State as  
37 provided herein with respect to a qualified business facility in an  
38 urban transit hub municipality or a Garden State Create Zone;

39 (4) \$8,000,000 and provides a net benefit to the State as  
40 provided herein with respect to a qualified business facility in a  
41 distressed municipality;

42 (5) \$4,000,000 and provides a net benefit to the State as  
43 provided herein with respect to a qualified business facility in other  
44 priority areas, but not more than 90 percent of the withholdings of  
45 the business from the qualified business facility; and

46 (6) \$2,500,000 and provides a net benefit to the State as  
47 provided herein with respect to a qualified business facility in other

1 eligible areas, but not more than 90 percent of the withholdings of  
2 the business from the qualified business facility.

3 Under paragraphs (1) through (6) of this subsection, with the  
4 exception of a project located within a Garden State Growth Zone  
5 which qualifies for the "Municipal Rehabilitation and Economic  
6 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or which  
7 contains a Tourism District as established pursuant to section 5 of  
8 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino  
9 Reinvestment Development Authority, that divides the total capital  
10 investment of the project by the total number of full-time jobs at  
11 that project, for each application for tax credits in excess of  
12 \$4,000,000 annually, the amount of tax credits available to be  
13 applied by the business annually shall be the lesser of the maximum  
14 amount under the applicable subsection or an amount determined by  
15 the authority necessary to complete the project, with such  
16 determination made by the authority's utilization of a full economic  
17 analysis of all locations under consideration by the business; all  
18 lease agreements, ownership documents, or substantially similar  
19 documentation for the business's current in-State locations, as  
20 applicable; and all lease agreements, ownership documents, or  
21 substantially similar documentation for the potential out-of-State  
22 location alternatives, to the extent they exist. Based on this  
23 information, and any other information deemed relevant by the  
24 authority, the authority shall independently verify and confirm the  
25 amount necessary to complete the project.  
26 (cf: P.L.2017, c.221, s.2)

27  
28 12. This act shall take effect immediately.  
29  
30

### 31 STATEMENT

32  
33 This bill calls for the establishment of a program within the New  
34 Jersey Economic Development Authority (EDA) to be known as the  
35 "Innovation Zone" program. The goal of the program is to encourage  
36 high-technology businesses to locate near New Jersey research  
37 institutions in certain areas of the State, and to encourage collaboration  
38 between high-technology businesses and academic institutions within  
39 innovation zones, to the mutual benefit businesses and academic  
40 institutions.

41 The bill directs EDA to enhance incentives available under current  
42 economic assistance programs, to the extent possible, for high-  
43 technology businesses that locate in innovation zones. The EDA and  
44 the Office of the Secretary of Higher Education would also modify  
45 existing programs to promote and support collaboration between high-  
46 technology businesses and research institutions within innovation  
47 zones. The bill also directs the EDA to enlist the support of other

1 State entities to facilitate the concentration of high-technology sectors  
2 within innovation zones.

3 Under the bill, the EDA would establish three innovation zones  
4 based upon proximity to research institutions located in the Greater  
5 Camden, Greater New Brunswick, and Greater Newark areas. The bill  
6 defines these areas by naming specific municipalities as follows:

7 "Greater Camden" includes Camden City, Egg Harbor Township,  
8 Galloway Township, Glassboro Borough, Harrison Township in  
9 Gloucester County, Mantua Township, and Stratford Borough;

10 "Greater New Brunswick" includes East Windsor Township,  
11 Ewing Township, Franklin Township in Somerset County, Hopewell  
12 Township and Lawrence Township in Mercer County, New Brunswick  
13 City, North Brunswick Township, Piscataway Township, Plainsboro  
14 Township, Princeton Borough, South Brunswick Township, Trenton  
15 City, and West Windsor Township;

16 "Greater Newark" includes Belleville Township, Clifton City, East  
17 Orange City, Hoboken City, Little Falls Township, Livingston  
18 Township, Montclair Township, Newark City, Nutley Township, and  
19 Orange City.

20 The EDA's executive director would recommend innovation zone  
21 boundaries to the EDA board for its approval. An innovation zone  
22 may be noncontiguous and consist of subzones, each subzone  
23 surrounding one or more research institutions. The bill allows the  
24 EDA executive director to recommend to the EDA board the  
25 designation of additional innovation zones and subzones around  
26 research institutions.

27 While the bill provides the EDA with general direction to modify  
28 existing programs to enhance incentives for high-technology firms  
29 locating in innovation zones, the bill would specifically amend the  
30 "Grow New Jersey Assistance Act," P.L.2011, c.149 (C.34:1B-242 et  
31 seq.) to enhance incentives available under that act. Under the bill, a  
32 business locating a qualified business facility in the Greater Camden  
33 Innovation Zone would qualify for the highest base tax credit amount  
34 under the Grow NJ Program, \$5,000 per job, per year, and the highest  
35 gross tax credit amount under the Grow NJ Program of \$15,000 per  
36 job, per year. The bill also provides that a qualified business facility  
37 located in the Greater Camden Innovation Zone could annually apply  
38 \$30 million worth of GROW NJ tax credits.