

SENATE, No. 4655

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 1, 2026

Sponsored by:
Senator JOSEPH P. CRYAN
District 20 (Union)

SYNOPSIS

"Tax Credit Review Act"; requires review of efficacy of certain State tax incentive programs.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT requiring a comprehensive review of certain State tax
2 expenditures, designated the "Tax Credit Review Act," and
3 supplementing Title 54 of the New Jersey Statutes.

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

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8 1. a. No later than three months after the effective date of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 the chief executive officer shall retain an expert to review the
11 efficacy of the incentive program, including a cost-benefit analysis
12 of the program, an assessment of the success of the program in
13 meeting its goals, and recommendations for improving the
14 operation and effectiveness of the program.

15 b. (1) Within nine months of the effective date of
16 P.L. , c. (C.) (pending before the Legislature as this bill),
17 the expert shall complete a comprehensive review of, and publish a
18 written report concerning, the effectiveness of the tax expenditures
19 incurred through the incentive program.

20 (2) The comprehensive review and resulting written report shall
21 include, but not be limited to:

22 (a) the total costs associated with the program, including the
23 amount of tax revenues foregone;

24 (b) the benefits and economic impact generated by the program,
25 including increased State tax revenues, increased job creation and
26 retention, and changes to levels of economic activity in the State;

27 (c) the effectiveness of the program in achieving its established
28 objectives;

29 (d) a comparison of the costs and benefits of the program,
30 culminating in a final evaluation of the efficacy of the program;

31 (e) any recommendations for improving the operation and
32 effectiveness of the program, including legislation and
33 administrative changes, as appropriate;

34 (f) recommendations for the State to engage in future reviews of
35 the efficacy of other State economic development programs,
36 including, but not limited to, recommendations as to the frequency
37 of reviews and additional economic development programs that
38 should be subject to future review;

39 (g) a detailed description of the expert's methodologies in
40 generating any quantitative estimates or assessments that
41 contributed to the written report; and

42 (h) an accompanying database that contains all datasets used in
43 the analysis that contributed to the written report, except not
44 including any databases or datasets that are proprietary in nature.

45 c. Upon the completion of the written report pursuant to
46 subsection b. of this section, and upon the completion of any
47 subsequent review in accordance with the expert's
48 recommendations, the chief executive officer shall:

1 (1) submit a copy of the written report to the Governor and,
2 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the
3 Legislature; and

4 (2) present the findings of the expert to the Senate Budget and
5 Appropriations Committee and the Assembly Budget Committee
6 during the authority's budget hearing before each committee next
7 following the completion of the written report.

8 d. (1) As part of its review, the expert may request and access
9 any relevant data and information from State agencies. A State
10 agency or local government shall provide such information to the
11 expert, upon request, and shall coordinate as necessary with other
12 State agencies or local governments for this purpose. In response to
13 a request, the State agency or local government may redact such
14 information as is necessary to protect the confidentiality of any
15 personal identifying information or legally protected information.

16 (2) As part of its review, the expert may request any relevant
17 data and information from the recipient of tax credit awards under
18 the program, which requests may be issued directly to the recipient
19 or indirectly through the authority. The recipient shall provide such
20 information to the expert, upon request, and shall coordinate as
21 necessary with other State agencies or local governments for this
22 purpose. In response to a request, the recipient may redact such
23 information as is necessary to protect the confidentiality of any
24 personal identifying information or legally protected information.

25 e. The Legislature shall appropriate such amounts as are
26 necessary to defray the costs of retaining the services of the expert,
27 as required pursuant to this section.

28 f. As used in this section:

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

32 "Chief executive officer" means the Chief Executive Officer of
33 the New Jersey Economic Development Authority.

34 "Expert" means a nonpartisan entity with expertise and
35 experience in economic policy evaluation and econometrics, which
36 entity may be an academic institution or a firm.

37 "Incentive program" or "program" means the film and digital
38 media content production tax credit program established pursuant to
39 the "Garden State Film and Digital Media Jobs Act," P.L.2018, c.56
40 (C.54:10A-5.39b et al.).

41 "Local government" means a municipality, county or other
42 political subdivision of the State, or any agency thereof.

43 "State agency" means any of the principal departments in the
44 executive branch of State government; any division, board, bureau,
45 office, commission, or other instrumentality of a principal
46 department in the executive branch; and any independent State
47 authority, commission, instrumentality, or agency.

1 2. This act shall take effect immediately.

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STATEMENT

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6 This bill, designated the "Tax Credit Review Act," requires the
7 Chief Executive Officer (chief executive officer) of the New Jersey
8 Economic Development Authority (authority) to retain an expert to
9 review the New Jersey Film and Digital Media Tax Credit Program
10 (program).

11 Specifically, this bill would require the chief executive officer to
12 retain an expert that is a nonpartisan entity with expertise and
13 experience in economic policy evaluation and econometrics, which
14 entity may be an academic institution or a firm. This hiring would
15 be required to happen no later than three months after the enactment
16 of the bill. The expert would be responsible for conducting a
17 comprehensive review and written report concerning the efficacy of
18 the program.

19 The comprehensive review would include, but not be limited to:
20 (1) the total costs associated with the program, including the
21 amount of tax revenues foregone; (2) the benefits and economic
22 impact generated by the program, including increased State tax
23 revenues, increased job creation and retention, and changes to levels
24 of economic activity in the State; (3) the effectiveness of the
25 program in achieving its established objectives; (4) a comparison of
26 the costs and benefits of the program, culminating in a final
27 evaluation of the efficacy of the program; (5) any recommendations
28 for improving the operation and effectiveness of the program,
29 including legislation and administrative changes; (6)
30 recommendations for the State to engage in future reviews of other
31 State economic development programs, including, but not limited
32 to, recommendations as to the frequency of reviews and which
33 programs should be subject to future review; (7) a detailed
34 description of the expert's methodologies in generating any
35 quantitative estimates or assessments that contributed to the written
36 report; and (8) an accompanying database that contains all datasets
37 used in the analysis that contributed to the written report.

38 Under the bill, a State agency, local government, or recipient of
39 tax credits under the program would be required to provide relevant
40 information to the expert, upon request, and would be required to
41 coordinate with other State agencies or local governments as
42 necessary for this purpose. In response to such a request, the entity
43 may redact such information as is necessary to protect the
44 confidentiality of any personal identifying information or legally
45 protected information.

46 Following the completion of the expert's review and written
47 report, the chief executive officer would be required to submit a
48 copy of the report to the Governor and the Legislature.

1 Additionally, the chief executive officer would be required to
2 present the findings to the Senate Budget and Appropriations
3 Committee and the Assembly Budget Committee during the
4 authority's budget hearing before each committee next following
5 the completion of the written report.