

News from the Legislature

Bill to Overhaul UEZ Program Recently Approved by Senate Committee

Legislation sponsored by Senators Jeff Van Drew (D-1) and Brian Stack (D-33) to overhaul the state's Urban Enterprise Zone Program by implementing strict requirements that would increase accountability of participating municipalities was approved recently by the Senate Community and Urban Affairs Committee.

Municipalities would be required to submit a new economic growth plan every five years, and to obtain the approval of the DCA for ongoing participation in the UEZ program. Three years into each five-year period covered by a growth plan, the department would be required to conduct an evaluation of the progress made by the municipality in meeting the plan goals. The DCA would use the information in determining whether to grant approval for the municipality to participate another five years in the program.

Businesses within the UEZ would be permitted to continue charging sales tax at half the state's rate of 7 percent, with 50 percent of the sales tax revenue going to the state's General Fund; of the remaining 50 percent, 45 percent would go to an enterprise zone assistance fund and 5 percent would be used to fund the state's cost of administering the program. Municipalities would apply to the DCA for funding for zone projects through a new online application process created under the bill. This application process is intended to expedite approval of UEZ projects funded through the zone assistance fund and to allow for project tracking.

The Christie Administration last year retained a consulting firm to evaluate the UEZ program. Completed in February 2010, the analysis included a number of recommendations for enhancing the program. The bill would implement some of those recommendations and is intended to restart the program by redirecting funding for local projects back into urban enterprise zones.

The bill would require the DCA to report to the Governor and Legislature within two years of the bill's effective date on the progress made by enterprise zones approved by the Department for continued participation in the program.

The measure now heads to the Senate Budget and Appropriations Committee for consideration.



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Legislative
Dispatch

President, Marlene Z. Asselta
Chairman, Jeff DuBois, (South Jersey Gas)

3,700 SQUARE MILES OF OPPORTUNITY

Bill Would Make it Easier for Unincorporated Businesses to Operate

Assemblymen John Burzichelli (D-3) and Scott Rumana (R-40) have introduced bipartisan legislation designed to make New Jersey more attractive for businesses and more competitive for good-paying jobs. The measure seeks to modernize the rules governing the formulation of limited liability companies in the state.

Burzichelli and Rumana are both members of the state Red Tape Review Commission formed by Governor Christie to find ways to eliminate unnecessary regulation and to help stimulate economic development.

The bill would modernize regulations for creating and operating LLCs, a form of unincorporated business organization that provides corporate-style limited liability to its owners with partnership-like capacity.

Proposed changes include eliminating the default and overlooked rule that LLCs have a limited duration; allowing LLC operating agreements to be oral, written or implied; allocating profits and losses on a per capita basis; and providing remedies when members of a company act in an oppressive or harmful ways to other members.

The measure now awaits action by the full Assembly.

Measure Aimed at Boosting Aviation Industry Released from Senate Committee

Legislation sponsored by Senator Jeff Van Drew (D-1) to allow county colleges and vocational school districts to establish aviation-related job training, certification and internship programs was approved recently by the Senate Budget and Appropriations Committee.

Under the bill, county vocational school districts and county colleges would work to identify needed skills and certifications, develop training programs and train workers for jobs in the aviation industry. Vocational districts and county colleges would also provide student internship opportunities in partnership with employers in the industry. Senator Van Drew noted that companies such as Boeing, which opened an aircraft modification facility at the Millville Municipal Airport last year, and The FAA William J. Hughes Technical Center, an aviation research, development and test site in Egg Harbor Township, could benefit from the legislation.

The bill establishes a program to provide tax credits to corporations that make contributions to establish aviation related job certification, training, and internship programs at county colleges and county vocational school districts. Under the program, a taxpayer will be allowed a credit equal to 100% of the contributions made during the privilege period to establish and support such programs during the privilege period.

The bill now heads to the full Senate for consideration.

News from the Governor's Desk

Bill to Create NJ Small Business Loan Program Sent to Governor for Consideration

Legislation to create a Small Business Loan Program to provide low interest loans to New Jersey small businesses that commit to increase their workforce was recently approved by the both branches of the Legislature and sent to Governor Christie for consideration.

The proposal would direct the state Economic Development Authority to establish the program and provide 2 percent or lower interest loans of up to \$250,000 to small businesses that commit to increase employment levels by at least 10 percent within the next four years. The loans could be used for capital purchases, employee training and salaries for new positions.

In order to be eligible, a small business must be independently owned and operated; be for-profit with a place of business located in the state; be primarily operated within the state; not be dominate in its field; employ less than 100 full-time employees; have not raised \$10 million or more in equity financing and have not received \$10 million or more in financing from any source.

The loan program would be self-sufficient and based upon loan repayments, and not require the state to incur any cost.

Lt. Governor Guadagno Recently Announced \$2.6 Million Training Grant to Help Atlantic City Job Seekers

Advancing the Christie Administration's commitment to set the Atlantic City region on a new course toward economic growth and job creation, Lt. Governor Kim Guadagno announced the award of a \$2.6 million Customized Training Grant that will help local workers qualify for more than 5,000 jobs being created by Revel Entertainment's new Atlantic City resort.

The 47-story Revel Atlantic City resort is under construction on a 20-acre parcel just north of the Showboat Hotel and Casino. The boardwalk resort anticipates hiring more than 5,000 workers in preparation for a grand opening this spring.

The Customized Training Grant, approved by Commissioner Harold J. Wirths of the state Department of Labor and Workforce Development, is being issued to Revel. Atlantic Cape Community College will handle the training of prospective employees, who will learn leadership and communication skills, along with receiving specialty instruction regarding specific jobs at the resort.

The Department of Labor, through its business representatives and Workforce Development staff, already has been working with Revel to prepare area residents for employment through other programs such as On-the-Job training and the Work Opportunity Tax Credit, which aides in hiring veterans and job-seekers with barriers to employment.



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Revel, committed to hiring locally, held 26 informational sessions in Atlantic City with local officials and community leaders to encourage city residents to apply for the positions the resort will be creating.

The \$2.4 billion project is being built on what is considered one of the most desirable beachfront locations in Atlantic City. The resort will be 6.3 million square feet with 1,898 guest rooms, each with an ocean view.

In addition to the 5,000 positions to be created at the resort, Revel anticipates its project will generate an equal number of jobs in construction, manufacturing, vendor / supply work and professional / consultant services.

The Christie Administration has awarded approximately \$27 million in customized training grants to train about 70,000 workers at over 400 businesses since January 2010. Those businesses are investing another \$40 million in wages toward that training. During the same period, more than \$4.2 million in workplace literacy training grants has been awarded to approximately 60 businesses to increase the workplace capabilities of more than 9,000 workers to improve vital workplace skills.