

[First Reprint]

**ASSEMBLY, No. 939**

**STATE OF NEW JERSEY**  
**216th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

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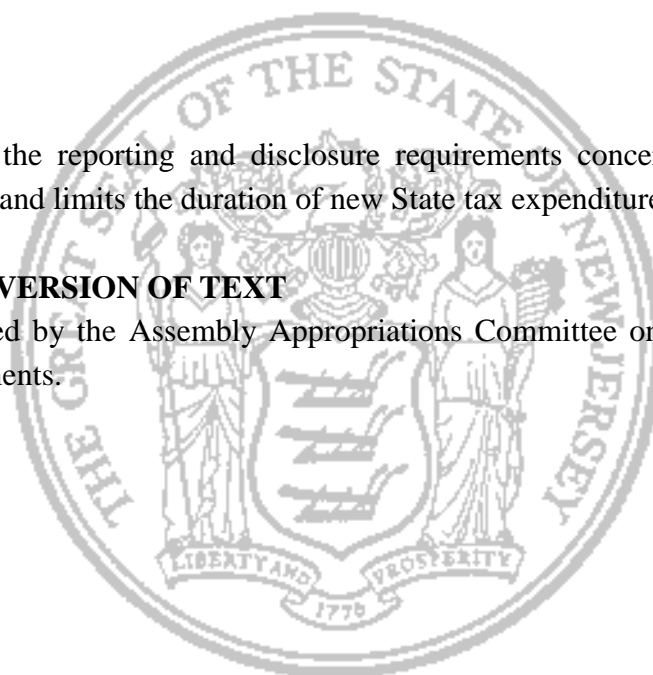
**Assemblywoman Pinkin, Assemblyman Coughlin and Assemblywoman  
Watson Coleman**

**SYNOPSIS**

Enhances the reporting and disclosure requirements concerning State tax expenditures and limits the duration of new State tax expenditure enactments.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Appropriations Committee on May 8, 2014,  
with amendments.



**(Sponsorship Updated As Of: 5/23/2014)**

1 AN ACT enhancing the reporting and disclosure requirements  
2 concerning State tax expenditures and limiting the duration of  
3 State tax expenditure enactments, amending P.L.2009, c.189 <sup>1</sup>,  
4 amending<sup>1</sup> and supplementing<sup>1</sup> P.L.2007, c.200 <sup>1</sup>,<sup>1</sup> and  
5 supplementing Title 1 of the Revised Statutes.  
6

7 **BE IT ENACTED** by the Senate and General Assembly of the State  
8 of New Jersey:  
9

10 1. Section 1 of P.L.2009, c.189 (C.52:27B-20a) is amended to  
11 read as follows:

12 1. a. In addition to the requirements of section 11 of article 3  
13 of P.L.1944, c.112 (C.52:27B-20), and any other provisions of law,  
14 the Governor's budget message transmitted annually to the  
15 Legislature shall include a State tax expenditure report setting forth  
16 estimates of the tax expenditures under existing State law for the  
17 last completed fiscal year, the current fiscal year and the fiscal year  
18 to which the budget message applies. The tax expenditures report  
19 shall take into account projected economic factors, and any changes  
20 in State tax expenditures as may be enacted or reasonably expected  
21 to be enacted for any fiscal year.

22 b. The State tax expenditures report shall:

23 (1) list each State tax expenditure,

24 (2) identify the statutory authority for each State tax  
25 expenditure, and the year in which it was enacted or the tax year or  
26 tax period in which it became effective,

27 (3) describe the **[objective of]** specific goals, purposes, and  
28 objectives that each State tax expenditure will achieve <sup>1</sup>based upon  
29 the stated intent of the Legislature. In the absence of a stated intent  
30 of the Legislature, the Governor, at the Governor's discretion, shall  
31 determine the goals, purposes, and objectives of the State tax  
32 expenditure<sup>1</sup> ,

33 (4) detail in columnar enumeration for each State tax  
34 expenditure an estimate of the amount of State revenue loss for the  
35 last completed fiscal year, the current fiscal year and the fiscal year  
36 to which the budget message applies,

37 (5) determine through detailed performance indicators whether  
38 each State tax expenditure has been effective in achieving the  
39 **[purpose]** specific goals, purposes and objectives <sup>1</sup>as set forth in  
40 statute, administrative regulation, or other public document<sup>1</sup> for  
41 which the tax expenditure was enacted and currently serves,  
42 including an analysis of the persons, including corporations,  
43 individuals or other entities, benefited by the expenditure,

**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>Assembly AAP committee amendments adopted May 8, 2014.

1       (6) evaluate<sup>1</sup>, based on publicly available measurement data,<sup>1</sup>  
2 the effect of each State tax expenditure on the fairness and equity of  
3 the distribution of the tax burden,

4       (7) describe the data collection and reporting requirements  
5 imposed upon the persons, including corporations, individuals or  
6 other entities benefited by the expenditure to assist in making the  
7 determination required by paragraph (5) of this subsection, which  
8 shall include the specific data and baseline measurements to be  
9 collected and remitted in each year the State tax expenditure is in  
10 effect, necessary to measure any change in performance indicators,  
11 and the specific taxpayers, State departments, agencies, independent  
12 authorities, or other entities required to collect and remit data, and

13       (8) the public and private costs of administering the State tax  
14 expenditures.

15       c. As used in this section:

16       "State tax expenditure" means those revenue losses attributable  
17 to provisions of State tax law which establish special tax treatment,  
18 including but not limited to tax law definition, deduction, exclusion,  
19 exemption, deferral, credit or transfer certificate, preferential tax  
20 rate or other special tax provision resulting in a reduced tax liability  
21 for certain persons, individuals, types of income, transactions or  
22 property from the liability which would be presumed to exist  
23 without the State tax expenditure.

24       d. The Division of Taxation in the Department of the Treasury  
25 shall advise and assist the Governor in the preparation of the State  
26 tax expenditure report.

27 (cf: P.L.2009, c.189, s.1)

28

29       2. Section 3 of P.L.2007, c.200 (C.52:39-3) is amended to read  
30 as follows:

31       3. For the purposes of this act:

32       <sup>1</sup>**["Corporate parent" means either: a person, association,**  
33 **corporation, joint venture, partnership, or other business entity, that**  
34 **owns or controls 50% or more of a recipient corporation; or the**  
35 **recipient corporation itself, if no other person, association,**  
36 **corporation, joint venture, partnership, or other entity, owns or**  
37 **controls 50% or more of the recipient corporation.]<sup>1</sup>**

38       "Date of development subsidy" means the initial date that a  
39 granting body provides the monetary value of a development  
40 subsidy to a recipient <sup>1</sup>**[corporation] entity<sup>1</sup>** provided, however,  
41 that if the development subsidy is for the installation of new  
42 equipment, the date shall be the date the recipient <sup>1</sup>**[corporation]**  
43 **entity<sup>1</sup>** puts the equipment into service and provided, further, that if  
44 the development subsidy is for improvements to property, the date  
45 shall be the date the improvements are finished or the date the  
46 recipient <sup>1</sup>**[corporation] entity<sup>1</sup>** occupies the property, whichever is  
47 earlier.

1 "Development subsidy" means the authorizing of the provision  
2 or providing to a recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>** of an amount of  
3 funds by or from a public body with a value of not less than  
4 <sup>1</sup>**【\$25,000】 \$100,000<sup>1</sup>** for the purpose of stimulating economic  
5 development in New Jersey, including, but not limited to, any bond,  
6 grant, loan, loan guarantee, matching fund or any tax expenditure.  
7 "Development subsidy" does not refer to any contract under which a  
8 public body purchases or otherwise procures goods, services or  
9 construction on an unsubsidized basis, including any contract solely  
10 for the construction or renovation of a facility owned by a public  
11 body. "Development subsidy" does not mean any authorizing or  
12 providing of funds by or from a public body to a recipient  
13 <sup>1</sup>**【corporation】 entity<sup>1</sup>**, including by means of a tax expenditure, for  
14 the exclusive purpose of the development or production of  
15 affordable housing, for the exclusive purpose of subsidizing site  
16 remediation, recycling, commuter transportation assistance,  
17 pollution reduction, energy conservation or other programs to  
18 improve the environment, or for the exclusive purpose of providing  
19 benefits to employees of the recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>**.  
20 "Development subsidy" does not mean any authorizing or providing  
21 of funds by or from a public body to a non-profit organization,  
22 including by means of a tax expenditure, for the exclusive purpose  
23 of subsidizing the development of facilities used to provide  
24 recreational, educational, arts or cultural programs or childcare or  
25 healthcare services.

26 "Employee benefits" means the average rate of benefit costs paid  
27 by a recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>** to or for its employees,  
28 including, but not limited to, the cost to the recipient <sup>1</sup>**【corporation】**  
29 **entity<sup>1</sup>** of health care benefits, pension benefits and apprenticeship  
30 or other training and education benefits, but excluding any costs to  
31 the recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>** of unemployment  
32 compensation, workers' compensation or temporary disability  
33 benefits, Social Security benefits, or any other employee benefits  
34 which the recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>** is required by State or  
35 federal law to pay. "Employee benefits" do not include any payroll  
36 deductions or other costs paid by employees for the benefits.

37 "Full-time job" means a job in which an individual is employed  
38 by a recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>** for at least 35 hours per week.

39 "Granting body" means a public body that provides or authorizes  
40 a development subsidy and, in the case of a tax expenditure related  
41 to any tax paid to the State, means the State Treasurer.

42 "Health benefits" means health benefits provided under a group  
43 health plan as defined in section 14 of P.L.1997, c.146 (C.17B:27-  
44 54), a health benefits plan as defined in section 1 of P.L.1992, c.162  
45 (C.17B:27A-17), or a policy or contract of health insurance  
46 covering more than one person issued pursuant to Title 17B of the  
47 New Jersey Statutes.

1       <sup>1</sup>"Parent entity" means either: a person, association, corporation,  
2 joint venture, partnership, or other business entity, that owns or  
3 controls 50% or more of a recipient entity; or the recipient entity  
4 itself, if no other person, association, corporation, joint venture,  
5 partnership, or other entity, owns or controls 50% or more of the  
6 recipient entity.<sup>1</sup>

7       "Part-time job" means a job in which an individual is employed  
8 by a recipient <sup>1</sup>**【corporation】** entity<sup>1</sup> for less than 35 hours per  
9 week.

10       "Project site" means the site of a project inside New Jersey for  
11 which any development subsidy is provided.

12       "Public body" or "State" means the State of New Jersey or any  
13 agency, instrumentality or authority of the State, but not a political  
14 subdivision of the State.

15       "Recipient <sup>1</sup>**【corporation】** entity<sup>1</sup>" means any non-governmental  
16 person, association, corporation, joint venture, partnership or other  
17 entity that receives a development subsidy.

18       "Tax expenditure" means the amount of foregone tax collections  
19 due to any abatement, reduction, exemption or credit or transfer  
20 certificate against any State tax, including, but not limited to, taxes  
21 on raw materials, inventories or other assets, taxes on gross  
22 receipts, income or sales, and any use, excise or utility tax. "Tax  
23 expenditure" does not refer to any credit against any tax liability of  
24 an employee or any personal exemption, homestead rebate, credit or  
25 deduction for the expenses of a household or individual, or other  
26 reduction of the tax liability of an individual or household.

27       "Temporary job" means a job for which an individual is hired for  
28 a limited period of time, which shall include all jobs for  
29 construction at the project site.

30       "Value of a development subsidy" means the dollar value of the  
31 development subsidy provided to the recipient <sup>1</sup>**【corporation】**  
32 entity<sup>1</sup>. In the case of a loan or loan guarantee provided by a public  
33 body to a recipient <sup>1</sup>**【corporation】** entity<sup>1</sup> or tax-exempt financing  
34 authorized by a public body, the "value of a development subsidy"  
35 means the amount loaned.

36 (cf: P.L.2007, c.200, s.3)

37

38       3. Section 4 of P.L.2007, c.200 (C.52:39-4) is amended to read  
39 as follows;

40       4. a. Each applicant for a development subsidy shall submit to  
41 the granting body an application for the development subsidy on a  
42 form prepared by the State Treasurer. The information required on  
43 the application, or in supplements accompanying the application,  
44 shall include the following:

45       (1) An application tracking number provided by the granting  
46 body;

- 1 (2) The names, street and mailing addresses and phone numbers  
2 of the chief officer of the granting body, the chief officer of the  
3 applicant's '【corporate】' parent 'entity' and the applicant and the  
4 street address and three-digit North American Industry  
5 Classification System number of the project site;
- 6 (3) The start date and the end date, if any, of the development  
7 subsidy;
- 8 (4) A list of all development subsidies that the applicant is  
9 requesting or receiving, the name of any other granting body from  
10 which development subsidies are sought or obtained, the value of  
11 each development subsidy and the aggregate value of all  
12 development subsidies requested or received from all sources;
- 13 (5) A signed certification by the chief officer of the recipient  
14 '【corporation】 entity' that the application is accurate and meets the  
15 requirements of this act;
- 16 (6) The total number of individuals employed by the applicant at  
17 the project site on the date of the application, the anticipated  
18 number of jobs that will be retained as a result of the development  
19 subsidy and the number of new jobs to be created by the applicant  
20 at the project site if the development subsidy is granted, broken  
21 down by full-time, part-time and temporary jobs;
- 22 (7) The average annual wage and benefit rates of current  
23 employees and the anticipated average annual wage and benefit  
24 rates of new employees;
- 25 (8) The number of current employees provided health benefits,  
26 and the number of new employees anticipated to be provided health  
27 benefits;
- 28 (9) How many of the current employees and how many of the  
29 anticipated new employees are represented by a collective  
30 bargaining unit;
- 31 (10) The average total number of individuals employed in New  
32 Jersey during the calendar year preceding the submission of the  
33 application by the applicant's '【corporate】' parent 'entity' and all  
34 subsidiaries thereof, broken down by full-time, part-time and  
35 temporary jobs;
- 36 (11) A statement as to whether the development subsidy may  
37 reduce employment at any other site controlled by the applicant or  
38 its '【corporate】' parent 'entity', inside the State, resulting from  
39 automation, merger, acquisition, corporate restructuring or other  
40 business activity;
- 41 (12) A statement as to whether or not the project involves the  
42 relocation of work from another address and if so, the number of  
43 jobs to be relocated and the address from which they are to be  
44 relocated; and
- 45 (13) Any other information deemed useful or necessary by the  
46 State Treasurer for the implementation of this act, including for tax  
47 expenditures, specific data collection and reporting requirements

1 imposed upon the recipient <sup>1</sup>**【corporation】 entity<sup>1</sup>** that shall assist  
2 the State Treasurer in providing, as part of the annual budget  
3 request of the Governor, the comprehensive presentation of the  
4 State costs of tax expenditure development subsidies required  
5 pursuant to section 5 of P.L.2007, c.200 (C.52:39-5) and producing  
6 the annual Unified Economic Development Budget Report pursuant  
7 to section 6 of P.L.2007, c.200 (C.52:39-6 <sup>1</sup>)<sup>1</sup> , which information  
8 shall include the specific data and baseline measurements to be  
9 collected and remitted in each year the tax expenditure is in effect,  
10 necessary to measure any change in performance indicators, and the  
11 specific taxpayers, State departments, agencies, independent  
12 authorities, or other entities required to collect and remit data.

13 b. Any granting body, other than the State Treasurer approving  
14 the application, shall send a copy to the State Treasurer not more  
15 than 15 business days after approval. If the application is not  
16 approved, the granting body shall retain the application.

17 (cf: P.L.2007, c.200, s.4)

18

19 <sup>1</sup>4. Section 5 of P.L.2007, c. 200 (C.52:39-5) is amended to read  
20 as follows:

21 5. a. Each recipient **【corporation】 entity** of a development  
22 subsidy shall file with the granting body, on a form prepared by the  
23 State Treasurer, a progress report no later than 30 business days  
24 after the end of each State fiscal year, beginning with the end of the  
25 first full State fiscal year after the date of the development subsidy,  
26 for the duration of the development subsidy or for five years,  
27 whichever period is longer. The report shall include the following  
28 information for the State fiscal year just ended:

29 (1) The application tracking number, except in the case of a  
30 development subsidy which has no application tracking number  
31 because the development subsidy was in effect prior to the 180th  
32 day after the effective date of this act;

33 (2) The name, street and mailing addresses, phone number and  
34 chief officers of the granting body and the recipient **【corporation】**  
35 entity;

36 (3) A summary of the number of jobs created, retained or lost  
37 inside New Jersey, broken down by full-time, part-time and  
38 temporary jobs, and the average annual rates of pay and benefits;

39 (4) The number of current employees provided health benefits,  
40 and the number of new employees anticipated to be provided health  
41 benefits;

42 (5) The comparison of the total employment in New Jersey by  
43 the **【corporate】 parent entity** of the recipient **【corporation】 entity**  
44 on the date of the application and the date of the report, broken  
45 down by full-time, part-time and temporary jobs;

46 (6) A statement as to whether the use of the development  
47 subsidy during the previous fiscal year has reduced employment at

- 1 any New Jersey site controlled by the recipient **【corporation】** entity  
2 or its **【corporate】** parent entity; and
- 3 (7) A signed certification by the chief officer of the recipient  
4 **【corporation】** entity that the progress report is accurate.
- 5 b. Not later than 30 days after the end of the second full State  
6 fiscal year after the date of the development subsidy, the recipient  
7 **【corporation】** entity shall file with the granting body a two-year  
8 progress report, certified by the chief officer of the recipient  
9 **【corporation】** entity, which shall include:
- 10 (1) The same information as required to be included in reports  
11 filed pursuant to subsection a. of this section;
- 12 (2) A statement of whether the recipient **【corporation】** entity  
13 has achieved the job creation and retention and wage and benefit  
14 rate goals projected in the recipient **【corporation's】** entity's  
15 application; and
- 16 (3) If the goals are not met, a full disclosure of the amount of  
17 any shortfall in job creation and retention rates at the project site  
18 inside New Jersey and wage and benefit rates compared to the goals  
19 and compared to job creation and retention goals and wage and  
20 benefit rates projected in the recipient **【corporation's】** entity's  
21 application.
- 22 c. The granting body shall review each report filed by the  
23 recipient **【corporation】** entity and conduct such further  
24 investigations as may be required to verify or correct the  
25 information in the report and submit the verified or corrected report  
26 to the State Treasurer not later than 30 business days after the report  
27 is filed by the recipient **【corporation】** entity.
- 28 d. The recipient **【corporation】** entity shall provide the granting  
29 body and the State Treasurer access to the project site and records at  
30 reasonable times as needed to monitor the project and verify the  
31 accuracy of the information provided in reports made by the  
32 recipient **【corporation】** entity. If a recipient **【corporation】** entity  
33 fails to file a report by the required due date, the granting body may  
34 impose an administrative fine of not more than \$500 per day to  
35 commence upon the tenth working day after the due date, and not  
36 more than \$1,000 per day to commence on the twentieth working  
37 day after the due date. If a recipient **【corporation】** entity fails to  
38 provide the required access, the granting body may impose an  
39 administrative fine of not more than \$500 per day to commence  
40 upon the fifth working day that access is denied, and of not more  
41 than \$1,000 per day to commence upon the tenth working day that  
42 access is denied.
- 43 e. A granting body may assess from recipient **【corporations】**  
44 entities whatever fees it determines to be necessary, but in no case  
45 fees greater than 0.25% of the value of a development subsidy if the  
46 development subsidy is a loan provided by the granting body, 0.1%



1 of the value of the development subsidy if the development subsidy  
2 is a loan guarantee provided by the granting body or tax-exempt  
3 financing authorized by the granting body, or greater than 1.0% of  
4 the value if the development subsidy is not a loan, tax-exempt  
5 financing or loan guarantee, to pay for the costs of the granting  
6 body to carry out its responsibilities under this act, including the  
7 processing of applications for development subsidies, reviewing and  
8 verifying reports of recipient **【corporations】** entities and monitoring  
9 the compliance of recipient **【corporations】** entities with the  
10 requirements of this act, maintaining and making available records  
11 and, in the case of the State Treasurer, producing the annual Unified  
12 Economic Development Budget Report as provided in section 6 of  
13 this act and providing, as part of the annual budget request of the  
14 Governor, a comprehensive presentation of the costs of all  
15 development subsidies to the State.<sup>1</sup>

16 (cf: P.L.2007, c.200, s.5)

17

18 <sup>1</sup>**【4.】** 5.<sup>1</sup> Section 6 of P.L.2007, c.200 (C.52:39-6) is amended  
19 to read as follows:

20 6. a. The State Treasurer shall, <sup>1</sup>**【not more than four months**  
21 **after the end of each State fiscal year】** as a part of the Governor's  
22 budget message transmitted annually to the Legislature pursuant to  
23 section 11 of P.L.1944, c.112 (C.52:27B-20)<sup>1</sup>, compile and publish,  
24 in printed and electronic form, including on the Internet, an annual  
25 Unified Economic Development Budget Report with regard to the  
26 fiscal year just concluded. The report shall provide the following  
27 comprehensive information regarding the costs and benefits of all  
28 development subsidies of the State:

29 (1) Information regarding tax expenditures resulting from any  
30 development subsidy, including the name of each recipient  
31 <sup>1</sup>**【corporation】** entity<sup>1</sup> receiving one or more tax expenditures with  
32 a combined total value equal to or greater than \$100,000, the value  
33 of all tax expenditures received by each recipient <sup>1</sup>**【corporation】**  
34 entity<sup>1</sup> and summaries of the number of full-time and part-time jobs  
35 created or retained, employee benefits provided and the degree to  
36 which job creation and retention, wage and benefit goals and  
37 requirements of recipient <sup>1</sup>**【corporations】** entities<sup>1</sup> and parent  
38 <sup>1</sup>**【corporations】** entities<sup>1</sup> have been met. Any tax expenditure  
39 received by a <sup>1</sup>**【corporation】** recipient entity<sup>1</sup> receiving tax  
40 expenditures with a total value of less than \$100,000 shall not be  
41 itemized. The report shall include aggregate dollar amounts for  
42 each category of tax expenditure, each geographical area, the  
43 number of companies for each category of tax expenditure, the  
44 number of full-time and part-time jobs created or retained, the  
45 employee benefits provided, and the degree to which job creation  
46 and retention, wage and benefit rate goals and requirements have

1 been met for each category of tax expenditure, and a determination  
2 made through detailed performance indicators whether each tax  
3 expenditure has been effective in achieving the specific goals,  
4 purposes and objectives for which the tax expenditure was enacted  
5 and currently serves; and

6 (2) The costs of all expenditures of development subsidies  
7 appropriated by any granting body, including, but not limited to, the  
8 Department of Labor and Workforce Development, the Department  
9 of Education, the New Jersey Economic Development Authority,  
10 the New Jersey Commerce, Economic Growth and Tourism  
11 Commission, the New Jersey Commission on Higher Education, the  
12 New Jersey Commission on Science and Technology, and research  
13 and business assistance programs of public institutions of higher  
14 education, together with the cost to the granting bodies and the  
15 value of the development subsidies received by each recipient  
16 <sup>1</sup>**【corporation】** entity<sup>1</sup>, and summaries of the number of full-time  
17 and part-time jobs created or retained, employee benefits provided,  
18 and the degree to which job creation and retention, wage and  
19 benefit rate goals and requirements of recipient <sup>1</sup>**【corporations】**  
20 entities<sup>1</sup> and parent <sup>1</sup>**【corporations】** entities<sup>1</sup> have been met.

21 b. The State Treasurer shall provide to the Legislature, as part  
22 of the annual budget request of the Governor, a comprehensive  
23 presentation of the costs of all development subsidies to the State  
24 during the prior fiscal year, an estimate of the anticipated costs of  
25 development subsidies for the then current fiscal year and an  
26 estimate of the costs of all development subsidies for the fiscal year  
27 of the requested budget, including, but not limited to:

28 (1) The total cost to the State of tax expenditures resulting from  
29 the development subsidies, the costs for each category of tax  
30 expenditure, and the amounts of tax expenditures by geographical  
31 area; and

32 (2) The cost to the State of all appropriated expenditures for  
33 development subsidies, including line-item budgets for every State-  
34 funded entity concerned with economic development, including, but  
35 not limited to, the Department of Labor and Workforce  
36 Development, the Department of Education, the New Jersey  
37 Economic Development Authority, the New Jersey Commerce,  
38 Economic Growth and Tourism Commission, the New Jersey  
39 Commission on Higher Education, the New Jersey Commission on  
40 Science and Technology, and research and business assistance  
41 programs of public institutions of higher education.

42 (cf: P.L.2007, c.200, s.6)

43

44 <sup>1</sup>6. Section 8 of P.L.2007, c.200 (C.52:39-8) is amended to read  
45 as follows:

46 8. Each granting body shall, not later than 60 days after the  
47 effective date of this act, provide, to every recipient **【corporation】**

1 entity receiving a development subsidy from the granting body  
2 which was awarded during the three years prior to the effective date  
3 of this act, written notification that the recipient **【corporation】**  
4 entity is required to submit to the granting body, not less than 120  
5 days after receiving the notification, the information required of  
6 applicants pursuant to section 4 of this act and that the recipient  
7 **【corporation】** entity is required to comply with the reporting  
8 requirements of section 5 of this act.<sup>1</sup>

9 (cf: P.L.2007, c.200, s.8)

10

11 <sup>17.</sup> (New section) A recipient entity shall provide the granting  
12 body and the State Treasurer or the State Treasurer's representative  
13 access to the project site and records at reasonable times as needed  
14 to monitor the project. If a recipient entity fails to provide the  
15 required access, the granting body may impose an administrative  
16 fine of not more than \$500 per day to commence upon the fifth  
17 working day that required access is denied, and of not more than  
18 \$1,000 per day to commence upon the 10th working day that  
19 required access is denied.<sup>1</sup>

20

21 <sup>18.</sup> Section 9 of P.L.2007, c.200 (C.52:39-9) is amended to read  
22 as follows:

23 9. If a granting body fails to submit any report required by this  
24 act to the State Treasurer within the time prescribed by this act, the  
25 State Treasurer may, to the extent possible, withhold payments of  
26 any State-funded development subsidy to the granting body or any  
27 recipient **【corporation】** entity which has a project site located in the  
28 jurisdiction of the granting body until the public body submits the  
29 report with the State Treasurer.<sup>1</sup>

30 (cf: P.L.2007, c.200, s.9)

31

32 <sup>19.</sup> Section 10 of P.L.2007, c.200 (C.52:39-10) is amended to  
33 read as follows:

34 10. Any recipient **【corporation】** entity that knowingly makes a  
35 false material misrepresentation in any application, report or other  
36 disclosure that the recipient **【corporation】** entity is required to  
37 make pursuant to this act shall refund any development subsidy to  
38 the granting body. The granting body may include provisions for  
39 the refund as part of an agreement to provide a development  
40 subsidy and may pursue an action to collect the amount of the  
41 refund plus any attorney fees and other costs of the action.<sup>1</sup>

42 (cf: P.L.2007, c.200, s.10)

43

44 <sup>110.</sup> Section 11 of P.L.2007, c.200 (C.52:39-11) is amended to  
45 read as follows:

1 11. Nothing in this act shall be construed as requiring a recipient  
2 **【corporation】** entity to reduce wage or benefit rates of any  
3 employee or be construed as permitting a recipient **【corporation】**  
4 entity:

5 a. To reduce wage or benefit rates established by a collective  
6 bargaining agreement or required by any law or regulation; or

7 b. To provide, in return for a development subsidy, jobs with  
8 lower wage or benefit rates, a smaller number of jobs, or jobs for a  
9 shorter period of time, than is required with respect to the  
10 development subsidy by any other law or regulation.<sup>1</sup>

11 (cf: P.L.2007, c.200, s.11)

12

13 <sup>1</sup>**【5.】** 11.<sup>1</sup> (New section) Notwithstanding any other law to the  
14 contrary, any bill introduced on or after <sup>1</sup>**【January 10, 2012】** the  
15 date of enactment of P.L. , c. (pending before the Legislature as  
16 this bill)<sup>1</sup> and enacted thereafter, that authorizes a State tax  
17 expenditure as defined in section 1 of P.L.2009, c.189 (C.52:27B-  
18 20a) or a tax expenditure as defined in section 3 of P.L.2007, c.200  
19 (C.52:39-3), shall expire on the first day of January next following  
20 the seventh anniversary of its effective date <sup>1</sup>and any bill  
21 introduced prior to the date of enactment of P.L. , c. (pending  
22 before the Legislature as this bill) that authorizes a State tax  
23 expenditure as defined in section 1 of P.L.2009, c.189 (C.52:27B-  
24 20a) or a tax expenditure as defined in section 3 of P.L.2007, c.200  
25 (C.52:39-3), shall expire on the first day of January next following  
26 the tenth anniversary of the date of enactment of P.L. ,  
27 c. (pending before the Legislature as this bill)<sup>1</sup>.

28

29 <sup>1</sup>**【6.】** 12.<sup>1</sup> This act shall take effect immediately.