

SENATE, No. 3432

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 10, 2024

Sponsored by:

Senator RAJ MUKHERJI

District 32 (Hudson)

Senator TROY SINGLETON

District 7 (Burlington)

Assemblyman CHRIS TULLY

District 38 (Bergen)

Assemblyman WILLIAM B. SAMPSON, IV

District 31 (Hudson)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

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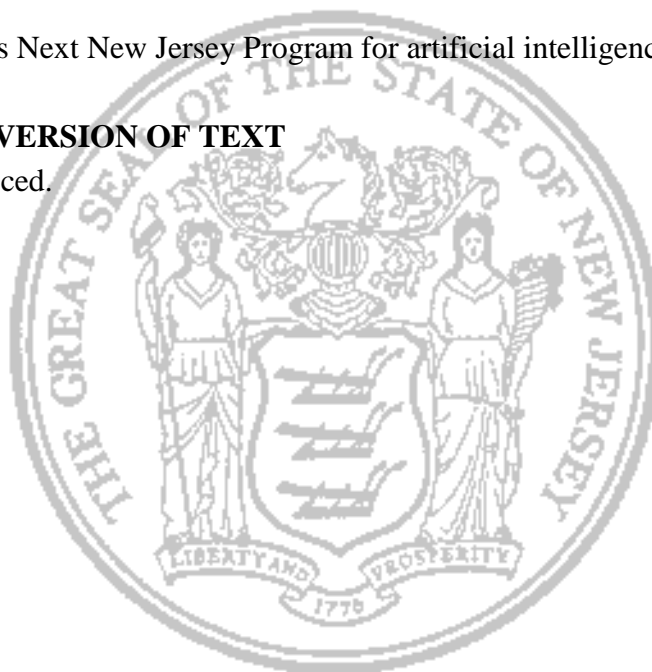
**Senator McKnight, Assemblymen Miller, Atkins, Assemblywomen
Murphy and Speight**

SYNOPSIS

Establishes Next New Jersey Program for artificial intelligence investments.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/28/2024)

S3432 MUKHERJI, SINGLETON

2

1 AN ACT concerning the development of artificial intelligence
2 innovations, ventures, and facilities, and amending and
3 supplementing P.L.2020, c.156.

4

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

7

8 1. (New section) P.L. , c. (C.) (pending before the
9 Legislature as this bill) shall be known and may be cited as the
10 "Next New Jersey Program Act."

11

12 2. (New section) As used in P.L. , c. (C.) (pending
13 before the Legislature as this bill):

14 "Affiliate" means an entity that directly or indirectly controls, is
15 under common control with, or is controlled by an eligible business.
16 Control exists in all cases in which the entity is a member of a
17 controlled group of corporations as defined pursuant to section 1563
18 of the federal Internal Revenue Code (26 U.S.C. s.1563) or the
19 entity is an organization in a group of organizations under common
20 control that is subject to the regulations applicable to organizations
21 pursuant to subsection (b) or (c) of section 414 of the federal
22 Internal Revenue Code (26 U.S.C. s.414). An eligible business may
23 establish by clear and convincing evidence, as determined by the
24 authority, that control exists in situations involving lesser
25 percentages of ownership than required by the above referenced
26 federal statutes if the eligible business shall have control, at a
27 minimum, of all aspects of compliance with this program. An
28 affiliate of an eligible business may contribute towards the capital
29 investment requirement and may satisfy the requirement for site
30 control during construction and the eligibility period, but in no
31 event shall the tax credit certificate be issued to any affiliate.

32 "AI data center" means a facility specifically to handle the
33 demanding computational needs of artificial intelligence
34 applications, designed for tasks like machine learning training, deep
35 learning algorithms, and complex data analysis, whose services are
36 the storage, management, and processing of digital data; that is used
37 to house: computer and network systems, including associated
38 components such as servers, network equipment and appliances,
39 telecommunications, and data storage systems; systems for
40 monitoring and managing infrastructure performance; Internet-
41 related equipment and services; data communications connections;
42 environmental controls; fire protection systems; and security
43 systems and services specifically for artificial intelligence
44 applications.

45 "Artificial intelligence" or "AI" means the development of
46 software and hardware, and the end-use application of technologies

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 that are able to perform tasks normally requiring human
2 intelligence, including, but not limited to, visual perception, speech
3 recognition, decision-making, translation between languages, and
4 generative artificial intelligence, which generates new content in
5 response to user inputs of data.

6 "Authority" means the New Jersey Economic Development
7 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

8 "Board" means the Board of the New Jersey Economic
9 Development Authority, established by section 4 of P.L.1974, c.80
10 (C.34:1B-4).

11 "Building services" means any cleaning or routine building
12 maintenance work, including but not limited to sweeping,
13 vacuuming, floor cleaning, cleaning of rest rooms, collecting refuse
14 or trash, window cleaning, securing, patrolling, or other work in
15 connection with the care or securing of an existing building,
16 including services typically provided by a door-attendant or
17 concierge. "Building services" shall not include any skilled
18 maintenance work, professional services, or other public work for
19 which a contractor is required to pay the "prevailing wage" as
20 defined in section 2 of P.L.1963, c.150 (C.34:11-56.26).

21 "Business" means an applicant proposing to own or lease
22 premises in a qualified business facility that is: a corporation that is
23 subject to the tax imposed pursuant to section 5 of P.L.1945, c.162
24 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and
25 C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or
26 N.J.S.17B:23-5, or is a partnership, S corporation, limited liability
27 company, or non-profit corporation. A business shall include an
28 affiliate of the business if that business applies for a credit based
29 upon any capital investment made by or full-time employees of an
30 affiliate. If the business or tenant is a cooperative or part of a
31 cooperative, then the cooperative may qualify for credits by
32 counting the full-time employees and capital investments of its
33 member organizations, and the cooperative may distribute credits to
34 its member organizations. If the business or tenant is a cooperative
35 that leases to its member organizations, the lease shall be treated as
36 a lease to an affiliate or affiliates.

37 "Capital investment" means expenses that a business or an
38 affiliate of the business incurs, or is incurred on behalf of the
39 business or affiliate by its landlord, following its submission of an
40 application to the authority pursuant to section 5 of P.L. , c.
41 (C.) (pending before the Legislature as this bill), but prior to
42 the project completion date, as shall be defined in the project
43 agreement, for: a. site preparation and construction, repair,
44 renovation, improvement, equipping, or furnishing on real property
45 or of a building, structure, facility, or improvement to real property;
46 b. obtaining and installing furnishings and machinery, apparatus, or
47 equipment, including but not limited to computer systems,
48 hardware, software, and equipment and material goods subject to

1 bonus depreciation under sections 168 and 179 of the federal
2 Internal Revenue Code (26 U.S.C. ss.168 and 179), for the
3 operation of a business on real property or in a building, structure,
4 facility, or improvement to real property; or any combination of the
5 foregoing.

6 "Commitment period" means a period that is no less than two
7 times the eligibility period specified in the project agreement
8 entered into pursuant to section 6 of P.L. , c. (C.) (pending
9 before the Legislature as this bill).

10 "Eligibility period" means the period in which an eligible
11 business may claim a tax credit under the program, beginning with
12 the tax period in which the authority accepts certification of the
13 eligible business that it has met the capital investment and
14 employment requirements of the program and extending thereafter
15 for a term of five years.

16 "Eligible business" means any business that satisfies the criteria
17 set forth in section 4 of P.L. , c. (C.) (pending before the
18 Legislature as this bill) at the time of application for tax credits
19 under the program.

20 "Eligible position" or "full-time job" means a full-time position
21 in a business in this State which a business has filled with a full-
22 time employee who is paid no less than 120 percent of the median
23 salary for the county in which the project is located and for which
24 the business provides employee health benefits under a group health
25 plan as defined under section 14 of P.L.1997, c.146 (C.17B:27-54),
26 a health benefits plan as defined under section 1 of P.L.1992, c.162
27 (C.17B:27A-17), or a policy or contract of health insurance
28 covering more than one person issued pursuant to Article 2 of
29 Chapter 27 of Title 17B of the New Jersey Statutes; provided,
30 however, the requirement that employee health benefits are to be
31 provided shall be deemed to be satisfied if the benefits are provided
32 by the business or pursuant to a collective bargaining agreement, no
33 later than 90 days of employee start date, under a health benefits
34 plan authorized pursuant to State or federal law. An eligible
35 position shall not include an independent contractor or a consultant.

36 "Full-time employee" means a person:

37 a. who is employed by a business for consideration for at least
38 35 hours a week, or who renders any other standard of service
39 generally accepted by custom or practice as full-time employment,
40 and whose wages are subject to withholding as provided in the
41 "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.; or

42 b. who is employed by a professional employer organization
43 pursuant to an employee leasing agreement between the business
44 and the professional employer organization, pursuant to P.L.2001,
45 c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or who
46 renders any other standard of service generally accepted by custom
47 or practice as full-time employment, and whose wages are subject

1 to withholding as provided in the "New Jersey Gross Income Tax
2 Act," N.J.S.54A:1-1 et seq.; or

3 c. who is a resident of another State, but whose income is not
4 subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1
5 et seq., due to a reciprocity agreement with the other state, or who
6 is a partner of a business who works for the partnership for at least
7 35 hours a week, or who renders any other standard of service
8 generally accepted by custom or practice as full-time employment,
9 and whose distributive share of income, gain, loss, or deduction, or
10 whose guaranteed payments, or any combination thereof, is subject
11 to the payment of estimated taxes, as provided in the "New Jersey
12 Gross Income Tax Act," N.J.S.54A:1-1 et seq., due to a reciprocity
13 agreement with the other state.

14 A "full-time employee" shall include, but shall not be limited to,
15 an employee that has been hired by way of a labor union hiring hall
16 or its equivalent. 35 hours of employment per week in the State
17 shall constitute one "full-time employee," regardless of whether or
18 not the hours of work were performed by one or more persons.

19 "Full-time employee" shall not include any person who works as
20 an independent contractor or on a consulting basis for the business
21 or a contract worker.

22 "Minimum environmental and sustainability standards" means
23 standards established by the authority in accordance with the green
24 building manual prepared by the Commissioner of Community
25 Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6),
26 regarding the use of renewable energy, energy-efficient technology,
27 and non-renewable resources to reduce environmental degradation
28 and encourage long-term cost reduction.

29 "New full-time job" means an eligible position created by a
30 business, following approval of such business's application by the
31 board, that did not previously exist in this State. For the purposes
32 of determining the number of new full-time jobs, the eligible
33 positions of an affiliate shall be considered eligible positions of the
34 business.

35 "Partnership" means an entity classified as a partnership for
36 federal income tax purposes.

37 "Professional employer organization" means an employee leasing
38 company registered with the Department of Labor and Workforce
39 Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

40 "Program" means the Next New Jersey Program established by
41 section 3 of P.L. , c. (C.) (pending before the Legislature as
42 this bill).

43 "Project" means the capital investment at a qualified business
44 facility and the employment commitment pursuant to the project
45 agreement.

46 "Project agreement" means the contract executed between an
47 eligible business and the authority pursuant to section 6 of P.L. ,

1 c. (C.) (pending before the Legislature as this bill), which
2 sets forth the terms and conditions under which the eligible business
3 may receive the tax credits authorized pursuant to the program.

4 "Qualified business facility" means any building, complex of
5 buildings, or structural components of buildings, and all machinery
6 and equipment located therein, used in connection with the
7 operation of an eligible business.

8 "Technology startup company" means a for-profit business
9 located in the State that has been in operation fewer than seven
10 years and is developing or possesses a proprietary technology or
11 business method of a high technology or life science-related
12 product, process, or service, which proprietary technology or
13 business method the business intends to move to commercialization.
14 The business shall be deemed to have begun operation on the date
15 that the business first hired at least one employee in a full-time
16 position.

17

18 3. (New section) a. The Next New Jersey Program is hereby
19 established as a program under the jurisdiction of the New Jersey
20 Economic Development Authority. The authority shall administer
21 the program to attract new investment to New Jersey in key
22 industries, create new jobs and economic opportunities, and
23 position New Jersey as a leader in the innovation economy. The
24 board may approve the award of tax credits to an eligible business
25 upon application of the chief executive officer, or equivalent
26 officer, of the eligible business and following the payment of fees,
27 subject to the limitations set forth in subsection b. of this section.

28 b. The value of all tax credits approved by the authority for
29 businesses eligible pursuant to section 4 of P.L. , c. (C.)
30 (pending before the Legislature as this bill) shall be subject to the
31 limitations set forth in section 98 of P.L.2020, c.156 (C.34:1B-362).

32

33 4. (New section) a. Beginning on the effective date of P.L. ,
34 c. (C.) (pending before the Legislature as this bill), but prior
35 to March 1, 2029, to be eligible for tax credits under the program, a
36 business's chief executive officer, or equivalent officer, shall
37 demonstrate to the authority at the time of application that:

38 (1) the business will make, acquire, or lease a capital investment
39 at the qualified business facility equal to or greater than the
40 applicable amount set forth in subsection b. of this section;

41 (2) the business will create new full-time jobs in the State in an
42 amount equal to or greater than the applicable number set forth in
43 subsection c. of this section;

44 (3) the business or its division is primarily engaged in the
45 artificial intelligence industry or the large-scale artificial
46 intelligence data center industry. A business or its division shall be
47 considered to be primarily engaged in an industry set forth herein if
48 more than 50 percent of the business's employees are engaged in

1 AI-related activities or more than 50 percent of the business's
2 revenue is generated from AI-related activities, or both; provided,
3 however, the use of AI applications in the furtherance of a
4 business's own operations shall not be considered in determining
5 whether a business or division is primarily engaged in artificial
6 intelligence or large-scale artificial intelligence data centers. AI-
7 related activities include, but are not limited to: developing new AI
8 algorithms and techniques, such as machine learning, natural
9 language processing, and computer vision; creating AI-powered
10 software and hardware products for various applications; medical
11 AI modelling or programing; development of AI chatbots for
12 customer service; AI development for vehicles, and collecting,
13 storing, and managing the vast amount of data needed to train and
14 use AI models;

15 (4) the business will enter into a collaborative relationship,
16 evidenced by the provision of price concessions, artificial
17 intelligence support services, or other measures determined
18 appropriate by the authority, with New Jersey-based public or
19 private research universities or technology startup companies, or
20 both;

21 (5) the qualified business facility shall be in compliance with
22 minimum environmental and sustainability standards;

23 (6) for construction contracts valued in excess of \$2,000, the
24 project shall comply with the authority's affirmative action
25 requirements, adopted pursuant to section 4 of P.L.1979, c.303
26 (C.34:1B-5.4); and

27 (7) each worker employed to perform construction work in
28 connection with a capital improvement or building services work at
29 the qualified business facility shall be paid not less than the
30 prevailing wage rate for the worker's craft or trade, as determined
31 by the Commissioner of Labor and Workforce Development
32 pursuant to P.L.1963, c.150 (C.34:11-56.25 et seq.) and P.L.2005,
33 c.379 (C.34:11-56.58 et seq.).

34 b. The minimum capital investment at the qualified business
35 facility required to be eligible under the program shall be
36 \$100,000,000.

37 c. The minimum number of new full-time jobs in the State
38 required to be eligible under the program shall be 100 new full-time
39 jobs.

40 d. The chief executive officer of the business, or an equivalent
41 officer, shall certify that all factual representations made by the
42 business to the authority pursuant to subsection a. of this section are
43 true under the penalty of perjury.

44 e. A business shall not be awarded a tax credit pursuant to the
45 program if the business receives a tax credit pursuant to the
46 "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156
47 (C.34:1B-336 et al.), or section 6 of P.L.2010, c.57 (C.34:1B-

1 209.4), relating to the same capital investment and employees that
2 qualify the business for a tax credit under the program.

3 f. A business eligible pursuant to this section may submit an
4 application to the authority in accordance with the provisions of
5 section 5 of P.L. , c. (C.) (pending before the Legislature
6 as this bill) on or after the effective date of P.L. , c. (C.)
7 (pending before the Legislature as this bill) but prior to March 1,
8 2029.

9
10 5. (New section) a. A business that meets the eligibility
11 criteria in section 4 of P.L. , c. (C.) (pending before the
12 Legislature as this bill) and is seeking tax credits for a project under
13 the program shall submit an application for approval of the project
14 to the authority in a form and manner prescribed by the authority.

15 b. (1) Before the board may consider an eligible business's
16 application for tax credits, the authority shall confirm with the
17 Department of Labor and Workforce Development, the Department
18 of Environmental Protection, and the Department of the Treasury
19 whether the eligible business is in substantial good standing with
20 the respective department, or, if necessary, has entered into an
21 agreement with the respective department that includes a practical
22 corrective action plan for the eligible business. The business entity
23 shall certify that contractors or subcontractors that will perform
24 work at the qualified business facility: are registered as required by
25 "The Public Works Contractor Registration Act," P.L.1999, c.238
26 (C.34:11-56.48 et seq.); have not been debarred by the Department
27 of Labor and Workforce Development from engaging in or bidding
28 on Public Works Contracts in the State; and possess a tax clearance
29 certificate issued by the Division of Taxation in the Department of
30 the Treasury. The authority may also contract with an independent
31 third party to perform a background check on the eligible business.

32 c. An eligible business shall pay to the authority the full
33 amount of the direct costs of an analysis concerning the eligible
34 business's application for a tax credit, which a third party retained
35 by the authority performs, if the authority deems such retention to
36 be necessary. The authority shall have the discretion to waive all or
37 a portion of the costs of application for a small business.

38 d. If at any time during the eligibility period the authority
39 determines that the eligible business made a material
40 misrepresentation on the eligible business's application, the eligible
41 business shall forfeit all tax credits awarded under the program,
42 which shall be in addition to any other criminal or civil penalties to
43 which the business and the officer may be subject.

44 e. If circumstances require an eligible business to amend its
45 application to the authority, then the chief executive officer of the
46 eligible business, or an equivalent officer, shall certify to the
47 authority that the information provided in its amended application is
48 true under the penalty of perjury.

1 f. Nothing shall preclude a business from applying for tax
2 credits under the program for more than one project pursuant to one
3 or more applications.

4
5 6. (New section) a. Following board approval, within a time
6 established by the authority and prior to the authority and an
7 eligible business executing a project agreement, the eligible
8 business shall demonstrate that it has obtained site plan approval
9 and has committed financing for, and established site control of, the
10 qualified business facility. The chief executive officer of the
11 business, or an equivalent officer, shall certify that all factual
12 representations made by the business to the authority pursuant to
13 this subsection are true under the penalty of perjury.

14 b. Following approval by the board and compliance with the
15 provisions of subsection a. of this section, but before the issuance of
16 tax credits, the authority shall require an eligible business to enter
17 into a project agreement. The terms of the project agreement shall
18 be consistent with the eligibility requirements of section 4 of P.L.
19 , c. (C.) (pending before the Legislature as this bill), and shall
20 include, but not be limited to, the following:

21 (1) a detailed description of the proposed project that will result
22 in job creation, and the number of new full-time jobs that are
23 approved for tax credits;

24 (2) any personnel information that will enable the authority to
25 administer the program;

26 (3) a requirement that the eligible business maintain the project
27 at a location in New Jersey for the commitment period and a
28 provision to permit the authority to recapture all or part of any tax
29 credits awarded, at its discretion, if the eligible business does not
30 maintain the project at a location in New Jersey for the commitment
31 period;

32 (4) a requirement that the eligible business maintain the number
33 of new full-time jobs, or the salaries thereof, to which the eligible
34 business certified at the commencement of the eligibility period and
35 a provision to permit the authority to proportionally reduce the tax
36 credit award in any tax period in which the number of new full-
37 time jobs, or the salaries thereof, is reduced below the new full-time
38 jobs to which the eligible business certified at the commencement
39 of the eligibility period;

40 (5) a method for the eligible business to certify that it has met
41 the capital investment and employment requirements of the program
42 set forth in subsections b. and c. of section 4 of P.L. , c.
43 (C.) (pending before the Legislature as this bill) and to report
44 annually to the authority the number of new full-time jobs, and the
45 salaries thereof, for which the tax credits are to be allowed;

46 (6) representations that the eligible business is in substantial
47 good standing with the Department of Environmental Protection,
48 the Department of Labor and Workforce Development, and the

1 Department of the Treasury or has entered into an agreement with
2 the departments that includes a practical corrective action plan, and
3 the project complies with all applicable laws, and specifically, that
4 the project does not violate any environmental law;

5 (7) a provision permitting an audit of the payroll records of the
6 business from time to time, as the authority deems necessary;

7 (8) a provision that the chief executive officer of the authority
8 receives annual reports from the eligible business and that allows
9 the authority to confirm that the eligible business is in substantial
10 good standing with the Department of Environmental Protection,
11 the Department of Labor and Workforce Development, and the
12 Department of the Treasury, or has entered into an agreement with
13 the respective department that includes a practical corrective action
14 plan. As part of the annual reports required by this paragraph, the
15 eligible business shall confirm that each contractor or subcontractor
16 performing work at the qualified business facility: is registered as
17 required by "The Public Works Contractor Registration Act,"
18 P.L.1999, c.238 (C.34:11-56.48 et seq.); has not been debarred by
19 the Department of Labor and Workforce Development from
20 engaging in or bidding on Public Works Contracts in the State; and
21 possesses a tax clearance certificate issued by the Division of
22 Taxation in the Department of the Treasury. If the eligible business
23 does not submit the report required under this paragraph, if the
24 Department of Environmental Protection, the Department of Labor
25 and Workforce Development, and the Department of the Treasury
26 advises that the eligible business is neither in substantial good
27 standing nor has entered into a practical corrective action plan, or if
28 the eligible business fails to confirm that each contractor or
29 subcontractor is in compliance with this paragraph, then the eligible
30 business may forfeit the issuance of tax credits, pending resolution
31 of the underlying violations or other issues;

32 (9) a requirement for the eligible business to engage in on-site
33 consultations with the Division of Workplace Safety and Health in
34 the Department of Health;

35 (10) a provision permitting the authority to amend the
36 agreement; and

37 (11) a provision establishing the conditions under which the
38 authority, the eligible business, or both, may terminate the
39 agreement.

40 c. (1) The authority may recapture all or part of a tax credit
41 awarded if an eligible business does not remain in compliance with
42 the requirements of a project agreement for the duration of the
43 commitment period. A recapture pursuant to this subsection may
44 include interest on the recapture amount, at a rate equal to the
45 statutory rate for corporate business or insurance premiums tax
46 deficiencies, plus any statutory penalties, and all costs incurred by
47 the authority and the Division of Taxation in the Department of the
48 Treasury in connection with the pursuit of the recapture, including,

1 but not limited to, counsel fees, court costs, and other costs of
2 collection. Failure of the eligible business to meet any program
3 criteria shall constitute a default and shall result in the recapture of
4 all or part of the tax credit awarded.

5 (2) If all or part of a tax credit sold or assigned pursuant to
6 section 8 of P.L. , c. (C.) (pending before the Legislature
7 as this bill) is subject to recapture, then the authority shall pursue
8 recapture from the eligible business and not from the purchaser or
9 assignee of the tax credit transfer certificate. The purchaser or
10 assignee of a tax credit transfer certificate shall be subject to any
11 limitations and conditions that apply to the use of the tax credits by
12 the eligible business.

13 (3) Any funds recaptured pursuant to this subsection, including
14 penalties and interest, shall be deposited into the General Fund.

15 d. A business may include an affiliate for any period, provided
16 that the business provides a valid tax clearance certificate for the
17 affiliate and a verification of the nature of the affiliate relationship
18 during the relevant period, and provided further that the affiliate
19 provides acceptable responses to the authority's legal disclosures
20 inquiries, as determined by the authority. A formal modification of
21 the authority's approval of the project agreement shall not be
22 necessary to add or remove an affiliate after approval or execution
23 of the project agreement.

24 e. A business may change its name filed with the authority by
25 providing a copy of the filed amendment to the certificate of
26 incorporation or formation, as the case may be, of the business and
27 a valid tax clearance certificate with the business's new name. A
28 formal modification of the authority's approval shall not be
29 necessary to change a business's name after approval or execution
30 of the project agreement.

31

32 7. (New section) a. Upon completion of the capital investment
33 and employment requirements of the program, an eligible business
34 shall submit to the authority certifications evidencing that the
35 eligible business has satisfied the conditions relating to the capital
36 investment and employment requirements of the project agreement
37 with supporting evidence satisfactory to the authority. The chief
38 executive officer of the business, or an equivalent officer, shall
39 certify that all factual representations made by the business to the
40 authority pursuant to this subsection are true under the penalty of
41 perjury.

42 b. (1) In accordance with the project agreement, beginning
43 upon the receipt of occupancy permits for any portion of the
44 project, or upon any other event evidencing project completion as
45 set forth in the project agreement, an eligible business shall be
46 allowed a tax credit in an amount determined pursuant to paragraph
47 (2) of this subsection. No more than the amount of tax credits equal
48 to the total credit amount awarded under the program divided by the

1 duration of the eligibility period in years may be taken in any tax
2 period.

3 (2) The amount of the tax credit allowed under the program to
4 an eligible business shall be the lesser of:

5 (a) the product of 0.1 percent of the eligible business's total
6 capital investment multiplied by the number of new full-time jobs;

7 (b) 25 percent of the eligible business's total capital investment;
8 or

9 (c) \$250,000,000.

10 c. (1) An eligible business which is awarded tax credits under
11 the program shall submit annually, no later than the date indicated
12 in the project agreement, commencing in the year in which the grant
13 of tax credits is issued and for the remainder of the commitment
14 period, a report that indicates that the eligible business continues to
15 maintain the number of new full-time jobs, and the salaries thereof,
16 specified in the project agreement. As part of the annual report
17 required pursuant to this subsection, an eligible business shall
18 provide to the authority a copy of its applicable New Jersey tax
19 return showing business income and withholdings as a condition of
20 its continuation in the program, and the quarterly wage report
21 required under R.S.43:21-14 submitted to the Department of Labor
22 and Workforce Development, together with an annual payroll report
23 showing: the new full-time jobs which were created in accordance
24 with the project agreement and the new full-time jobs created
25 during each subsequent year of the commitment period. The failure
26 of an eligible business to submit to the authority a copy of its
27 annual payroll report or submit the quarterly wage report in
28 accordance with the provisions of this subsection during the
29 eligibility period shall result in the forfeiture of the award for that
30 year. An eligible business shall explain, in the reports required by
31 this subsection, the reason for any discrepancies between the annual
32 payroll report submitted by the eligible business and the quarterly
33 wage report. The chief executive officer of the eligible business, or
34 an equivalent officer, shall certify that the information provided
35 pursuant to this paragraph is true under the penalty of perjury.
36 Claims, records, or statements submitted by an eligible business to
37 the authority in order to receive tax credits shall not be considered
38 claims, records, or statements made in connection with State tax
39 laws.

40 (2) Upon receipt and review of each report submitted during the
41 eligibility period, the authority shall provide to the eligible business
42 and the director a certificate of compliance indicating the amount of
43 tax credits that the eligible business may apply against its tax
44 liability. The authority shall pro rate the tax credit for the first and
45 last years of the eligibility period based on the number of full
46 months the project was certified in the year the eligible business
47 first certifies.

1 d. (1) Upon receipt by the director of the certificate of
2 compliance, the director shall allow the eligible business a tax
3 credit. The eligible business may apply the credit allowed by the
4 director against the eligible business's tax liability for the tax period
5 in which the director allowed the tax credit, or may carry forward
6 the credit for use by the eligible business in any of the next 10
7 successive tax periods, which credit shall expire thereafter.

8 (2) The amount of credit allowed may be applied against the tax
9 liability otherwise due pursuant to section 5 of P.L.1945, c.162
10 (C.54:10A-5), sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and
11 C.54:18A-3), section 1 of P.L.1950, c.231 (C.17:32-15), or
12 N.J.S.17B:23-5.

13 (3) The director shall prescribe the order of priority of the
14 application of the credit allowed under this section and any other
15 credits allowed by law against the tax imposed under section 5 of
16 P.L.1945, c.162 (C.54:10A-5). The amount of a credit applied
17 under this section against the tax imposed pursuant to section 5 of
18 P.L.1945, c.162 (C.54:10A-5) for a privilege period, together with
19 any other credits allowed by law, shall not reduce the tax liability to
20 an amount less than the statutory minimum provided in subsection
21 (e) of section 5 of P.L.1945, c.162 (C.54:10A-5).

22 e. An eligible business shall forfeit the credit amount for any
23 tax period for which the eligible business's documentation remains
24 uncertified as of the date for certification indicated in the project
25 agreement, although credit amounts for the remainder of the years
26 of the eligibility period shall remain available to the eligible
27 business.

28 f. If, in any tax period, the number of new employees in
29 eligible positions, or the salaries thereof, drops below 80 percent of
30 the number of new employees in eligible positions specified in the
31 project agreement or required as a condition of program eligibility
32 pursuant to section 4 of P.L. , c. (C.) (pending before the
33 Legislature as this bill), whichever is greater, then the eligible
34 business shall forfeit its tax credit amount for that tax period and
35 each subsequent tax period, until the first tax period for which
36 documentation demonstrating the restoration of the number of new
37 employees in eligible positions, or the salaries thereof, to 80 percent
38 of the number specified in the project agreement or required as a
39 condition of program eligibility pursuant to section 4 of P.L. , c.
40 (C.) (pending before the Legislature as this bill), whichever is
41 greater, is reviewed and approved by the authority.

42
43 8. (New section) a. An eligible business may apply to the
44 director and the chief executive officer of the authority for a tax
45 credit transfer certificate, within three years of the tax period in
46 which the director allows the eligible business a tax credit, in lieu of
47 any amount of the tax credit against the eligible business's State tax
48 liability. The tax credit transfer certificate, upon receipt thereof by

1 the eligible business from the director and the chief executive
2 officer of the authority, may be sold or assigned, in an amount not
3 less than \$25,000, within three years of the tax period in which the
4 eligible business receives the tax credit transfer certificate from the
5 director, to another person that may have a tax liability pursuant to
6 section 5 of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of
7 P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), section 1 of P.L.1950,
8 c.231 (C.17:32-15), or N.J.S.17B:23-5. A purchaser or assignee of
9 a tax credit transfer certificate pursuant to this section shall apply
10 the transferred credit against the same tax for which the eligible
11 business was approved a tax credit under the program. The tax
12 credit transfer certificate provided to the eligible business shall
13 include a statement waiving the eligible business's right to claim
14 the credit that the eligible business has elected to sell or assign.

15 b. The eligible business shall not sell or assign a tax credit
16 transfer certificate allowed under this section for consideration
17 received by the eligible business of less than 85 percent of the
18 transferred credit amount before considering any further
19 discounting to present value which shall be permitted. The tax
20 credit transfer certificate issued to the eligible business by the
21 director shall be subject to any limitations and conditions imposed
22 on the application of State tax credits pursuant to P.L. , c.
23 (C.) (pending before the Legislature as this bill) and any other
24 terms and conditions that the director may prescribe.

25 c. A purchaser or assignee of a tax credit transfer certificate
26 pursuant to this section shall not make any subsequent transfers,
27 assignments, or sales of the tax credit transfer certificate.

28 d. The authority shall publish on its Internet website the
29 following information concerning each tax credit transfer certificate
30 approved by the authority and the director pursuant to this section:

- 31 (1) the name of the transferrer;
- 32 (2) the name of the transferee;
- 33 (3) the value of the tax credit transfer certificate;
- 34 (4) the State tax against which the transferee may apply the tax
35 credit; and
- 36 (5) the consideration received by the transferrer.

37
38 9. (New section) Notwithstanding the provisions of the
39 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
40 seq.) to the contrary, the chief executive officer of the authority
41 shall adopt, immediately, upon filing with the Office of
42 Administrative Law, such rules and regulations as the chief
43 executive officer deems necessary to implement the provisions of
44 sections P.L. , c. (C.) (pending before the Legislature as this
45 bill), which rules and regulations shall be effective for a period not
46 to exceed 365 days after the date of the filing. Before the
47 expiration of the rules and regulations, the chief executive officer
48 shall amend, adopt, or readopt the rules and regulations in

1 accordance with the requirements of the "Administrative Procedure
2 Act," P.L.1968, c.410 (C.52:14B-1 et seq.).

3

4 10. Section 98 of P.L.2020, c.156 (C.34:1B-362) is amended to
5 read as follows:

6 98. a. The combined value of all tax credits awarded under the
7 "Historic Property Reinvestment Act," sections 2 through 8 of
8 P.L.2020, c.156 (C.34:1B-270 through 34:1B-276); the
9 "Brownfields Redevelopment Incentive Program Act," sections 9
10 through 19 of P.L.2020, c.156 (C.34:1B-277 through 34:1B-287);
11 the "New Jersey Innovation Evergreen Act," sections 20 through 34
12 of P.L.2020, c.156 (C.34:1B-288 through 34:1B-302); the "Food
13 Desert Relief Act," sections 35 through 42 of P.L.2020, c.156
14 (C.34:1B-303 through 34:1B-310); the "New Jersey Community-
15 Anchored Development Act," sections 43 through 53 of P.L.2020,
16 c.156 (C.34:1B-311 through 34:1B-321); the "New Jersey Aspire
17 Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-
18 322 through 34:1B-335); the "Emerge Program Act," sections 68
19 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.); section 6 of
20 P.L.2010, c.57 (C.34:1B-209.4) **], and]** ; the "Cultural Arts
21 Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.); and
22 the "Next New Jersey Program Act," P.L. , c. (C.) (pending
23 before the Legislature as this bill) shall not exceed an overall cap of
24 \$11.5 billion over a nine-year period, subject to the conditions and
25 limitations set forth in this section. Of this \$11.5 billion, \$2.5
26 billion shall be reserved for transformative projects approved under
27 the Aspire Program.

28 b. (1) The total value of tax credits awarded under any
29 constituent program of the "New Jersey Economic Recovery Act of
30 2020," P.L.2020, c.156 (C.34:1B-269 et al.) **], and],** the "Cultural
31 Arts Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.),
32 and the "Next New Jersey Program Act," P.L. , c. (C.)
33 (pending before the Legislature as this bill), shall be subject to the
34 following limitations, except as otherwise provided in subsection c.
35 of this section:

36 (a) for tax credits awarded under the "Historic Property
37 Reinvestment Act," sections 2 through 8 of P.L.2020, c.156
38 (C.34:1B-270 through 34:1B-276), the total value of tax credits
39 annually awarded during each of the first six years of the nine-year
40 period shall not exceed \$50 million;

41 (b) for tax credits awarded under the "Brownfields
42 Redevelopment Incentive Program Act," sections 9 through 19 of
43 P.L.2020, c.156 (C.34:1B-277 through 34:1B-287), the total value
44 of tax credits annually awarded during each of the first six years of
45 the nine-year period shall not exceed \$50 million;

46 (c) for tax credits awarded under the "New Jersey Innovation
47 Evergreen Act," sections 20 through 34 of P.L.2020, c.156
48 (C.34:1B-288 through 34:1B-302), the total value of tax credits

1 annually awarded during each of the first six years of the nine-year
2 period shall not exceed \$60 million and the total value of tax credits
3 awarded over the entirety of the nine-year period shall not exceed
4 \$300,000,000;

5 (d) for tax credits awarded under the "Food Desert Relief Act,"
6 sections 35 through 42 of P.L.2020, c.156 (C.34:1B-303 through
7 34:1B-310), the total value of tax credits annually awarded during
8 each of the first six years of the nine-year period shall not exceed
9 \$40 million;

10 (e) for tax credits awarded under the "New Jersey Community-
11 Anchored Development Act," sections 43 through 53 of P.L.2020,
12 c.156 (C.34:1B-311 through 34:1B-321), and the "Cultural Arts
13 Incentives Program Act," P.L.2023, c.197 (C.34:1B-383 et al.), the
14 total value of tax credits awarded during the nine-year period shall
15 not exceed \$1,200,000,000; provided, however, tax credits shall not
16 be available under the "New Jersey Community-Anchored
17 Development Act," sections 43 through 53 of P.L.2020, c.156
18 (C.34:1B-311 through 34:1B-321), until January 1, 2026.
19 Beginning January 1, 2026, the authority shall annually award tax
20 credits under the "New Jersey Community-Anchored Development
21 Act," sections 43 through 53 of P.L.2020, c.156 (C.34:1B-311
22 through 34:1B-321), valuing no greater than \$130 million for
23 projects located in the 13 northern counties of the State, and the
24 authority shall annually award tax credits valuing no greater than
25 \$70 million for projects located in the eight southern counties of the
26 State. If during any year of operation of the "New Jersey
27 Community-Anchored Development Act," sections 43 through 53 of
28 P.L.2020, c.156 (C.34:1B-311 through 34:1B-321), the authority
29 awards tax credits pursuant to the program in an amount less than
30 the annual limitation for projects located in northern counties or
31 southern counties, as applicable, the uncommitted portion of the
32 annual limitation shall be available to be deployed by the authority
33 in a subsequent year without consideration to the county in which a
34 project is located;

35 (f) for tax credits awarded under the "New Jersey Aspire
36 Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-
37 322 through 34:1B-335), and the "Emerge Program Act," sections
38 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), not
39 including tax credits awarded for transformative projects, the total
40 value of tax credits annually awarded during each of the first six
41 years of the nine-year period shall not exceed \$1.1 billion. If the
42 authority awards tax credits in an amount less than the annual
43 limitation, then the uncommitted portion of the annual limitation
44 shall be made available for qualified offshore wind projects
45 awarded under section 6 of P.L.2010, c.57 (C.34:1B-209.4),
46 pursuant to subparagraph (h) of this paragraph, projects awarded a
47 tax credit pursuant to the "Next New Jersey Program Act," P.L. ,
48 c. (C.) (pending before the Legislature as this bill), pursuant

1 to subparagraph (k) of this paragraph, or New Jersey studio partners
2 and New Jersey film-lease production companies awarded under
3 sections 1 and 2 of P.L.2018, c.56 (C.54:10A-5.39b and C.54A:4-
4 12b), pursuant to subparagraph (i) of this paragraph and subsection
5 d. of this section. During each of the first six years of the nine-year
6 period, the authority shall annually award tax credits valuing no
7 greater than \$715 million for projects located in the northern
8 counties of the State, and the authority shall annually award tax
9 credits valuing no greater than \$385 million for projects located in
10 the southern counties of the State under the "New Jersey Aspire
11 Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-
12 322 through 34:1B-335), and the "Emerge Program Act," sections
13 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.). If during
14 any of the first six years of the nine-year period, the authority
15 awards tax credits under the "New Jersey Aspire Program Act,"
16 sections 54 through 67 of P.L.2020, c.156 (C.34:1B-322 through
17 34:1B-335), and the "Emerge Program Act," sections 68 through 81
18 of P.L.2020, c.156 (C.34:1B-336 et al.), in an amount less than the
19 annual limitation for projects located in northern counties or
20 southern counties, as applicable, the uncommitted portion of the
21 annual limitation shall be available to be deployed by the authority
22 in a subsequent year, provided that the uncommitted portion of tax
23 credits shall be awarded for projects located in the applicable
24 geographic area, except that (i) after the completion of the third
25 year of the nine-year period, the authority may deploy 50 percent of
26 the uncommitted portion of tax credits for any previous year
27 without consideration to the county in which a project is located;
28 and (ii) after the completion of the sixth year of the nine-year
29 period, the authority may deploy all available tax credits, including
30 the uncommitted portion of the annual limitation for any previous
31 year, without consideration to the county in which a project is
32 located;

33 (g) except as provided in subparagraph (j) of this paragraph, for
34 tax credits awarded for transformative projects under the "New
35 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,
36 c.156 (C.34:1B-322 through 34:1B-335), the total value of tax
37 credits awarded during the nine-year period shall not exceed \$2.5
38 billion. The total value of tax credits awarded for transformative
39 projects in a given year shall not be subject to an annual limitation,
40 except that the total value of tax credits awarded to any
41 transformative project shall not exceed \$400 million;

42 (h) from the tax credits made available, pursuant to
43 subparagraph (f) of this paragraph, to the "New Jersey Aspire
44 Program Act," sections 54 through 67 of P.L.2020, c.156 (C.34:1B-
45 322 through 34:1B-335), and the "Emerge Program Act," sections
46 68 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), not
47 including tax credits awarded for transformative projects, an
48 amount not to exceed \$350,000,000 shall be made available for

1 qualified offshore wind projects awarded a credit pursuant to
2 section 6 of P.L.2010, c.57 (C.34:1B-209.4) during the first three
3 years of the nine-year period;

4 (i) beginning in fiscal year 2023, from the tax credits made
5 available, pursuant to subparagraph (f) of this paragraph, to the
6 "New Jersey Aspire Program Act," sections 54 through 67 of
7 P.L.2020, c.156 (C.34:1B-322 through 34:1B-335), and the
8 "Emerge Program Act," sections 68 through 81 of P.L.2020, c.156
9 (C.34:1B-336 et al.), not including tax credits awarded for
10 transformative projects, additional amounts shall be made available
11 for New Jersey studio partners and New Jersey film-lease
12 production companies pursuant to sections 1 and 2 of P.L.2018,
13 c.56 (C.54:10A-5.39b and C.54A:4-12b); **[and]**

14 (j) beginning in fiscal year 2024, from the tax credits made
15 available, pursuant to subparagraph (f) of this paragraph, to the
16 "New Jersey Aspire Program Act," sections 54 through 67 of
17 P.L.2020, c.156 (C.34:1B-322 through 34:1B-335) and the "Emerge
18 Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-
19 336 et al.), not including tax credits awarded for transformative
20 projects, an amount not to exceed \$500,000,000 may be annually
21 transferred for the award to transformative projects under the "New
22 Jersey Aspire Program Act," sections 54 through 67 of P.L.2020,
23 c.156 (C.34:1B-322 through 34:1B-335), provided that: (i) the
24 remaining allocation of tax credits otherwise available for
25 transformative projects, pursuant to subparagraph (g) of this
26 paragraph, is less than \$1,000,000,000; and (ii) the authority board
27 determines that the transfer of tax credits is warranted based on
28 such criteria as the authority deems appropriate, which may include
29 the criteria set forth in paragraph (2) of this subsection. If a transfer
30 of tax credits is made pursuant to this subparagraph, the authority
31 shall award no greater than 65 percent of the tax credits transferred
32 pursuant to this subparagraph to transformative projects located in
33 the northern counties of the State and no greater than 35 percent of
34 the tax credits transferred pursuant to this subparagraph to
35 transformative projects located in the southern counties of the State;
36 and

37 (k) beginning in fiscal year 2025, from the tax credits made
38 available, pursuant to subparagraph (f) of this paragraph, to the
39 "New Jersey Aspire Program Act," sections 54 through 67 of
40 P.L.2020, c.156 (C.34:1B-322 through 34:1B-335) and the "Emerge
41 Program Act," sections 68 through 81 of P.L.2020, c.156 (C.34:1B-
42 336 et al.), but not including tax credits awarded for transformative
43 projects, an amount not to exceed \$500,000,000 shall be made
44 available for projects awarded a tax credit pursuant to the "Next
45 New Jersey Program Act," P.L. , c. (C.) (pending before
46 the Legislature as this bill).

47 (2) The authority may in any given year determine that it is in
48 the State's interest to approve an amount of tax credits in excess of

1 the annual limitations set forth in paragraph (1) of this subsection,
2 but in no event more than \$200,000,000 in excess of the annual
3 limitation, upon a determination by the authority board that such
4 increase is warranted based on specific criteria that may include:

5 (i) the increased demand for opportunities to create or retain
6 employment and investment in the State as indicated by the volume
7 of project applications and the amount of tax credits being sought
8 by those applications;

9 (ii) the need to protect the State's economic position in the event
10 of an economic downturn;

11 (iii) the quality of project applications and the net economic
12 benefit to the State and municipalities associated with those
13 applications;

14 (iv) opportunities for project applications to strengthen or protect
15 the competitiveness of the State under the prevailing market
16 conditions;

17 (v) enhanced access to employment and investment for
18 underserved populations in distressed municipalities and qualified
19 incentives tracts;

20 (vi) increased investment and employment in high-growth
21 technology sectors and in projects that entail collaboration with
22 education institutions in the State;

23 (vii) increased development proximate to mass transit facilities;

24 (viii) any other factor deemed relevant by the authority.

25 c. In the event that the authority in any year approves projects
26 for tax credits in an amount less than the annual limitations set forth
27 in paragraph (1) of subsection b. of this section, then the
28 uncommitted portion of the annual limitation shall be available to
29 be deployed by the authority in future years for projects under the
30 same program; provided however, that in no event shall the
31 aggregate amount of tax credits approved be in excess of the overall
32 cap of \$11.5 billion, and in no event shall the uncommitted portion
33 of the annual limitation for any previous year be deployed after the
34 conclusion of the nine-year period.

35 d. Notwithstanding the provisions of any other law to the
36 contrary, the uncommitted balance of the total value of tax credits
37 authorized for award by the authority pursuant to subparagraph (f)
38 of paragraph (1) of subsection b. of this section to the "New Jersey
39 Aspire Program Act," sections 54 through 67 of P.L.2020, c.156
40 (C.34:1B-322 et seq.), and the "Emerge Program Act," sections 68
41 through 81 of P.L.2020, c.156 (C.34:1B-336 et al.), shall be made
42 available for tax credits allowed to New Jersey studio partners and
43 New Jersey film-lease production companies pursuant to sections 1
44 and 2 of P.L.2018, c.56 (C.54:10A-5.39b and C.54A:4-12b). The
45 value of tax credits, including tax credits allowed through the
46 granting of tax credit transfer certificates, made available to New
47 Jersey studio partners and New Jersey film-lease production
48 companies pursuant to this subsection shall be as follows:

1 (1) in fiscal year 2023, \$250,000,000 for New Jersey studio
2 partners and \$250,000,000 for New Jersey film-lease production
3 companies;

4 (2) in fiscal year 2024, \$250,000,000 for New Jersey studio
5 partners and \$250,000,000 for New Jersey film-lease production
6 companies; and

7 (3) in fiscal year 2025, \$250,000,000 for New Jersey studio
8 partners and \$250,000,000 for New Jersey film-lease production
9 companies.

10 If the value of tax credits, including tax credits allowed through
11 the granting of tax credit transfer certificates, approved to New
12 Jersey studio partners and New Jersey film-lease production
13 companies in any fiscal year pursuant to this subsection is less than
14 the cumulative total amount of tax credits permitted to be approved
15 in that fiscal year, the authority shall certify the amount of the
16 remaining tax credits available for approval to each such category
17 in that fiscal year, and shall increase the cumulative total amount of
18 tax credits permitted to be approved for New Jersey studio partners
19 and New Jersey film-lease production companies in the subsequent
20 fiscal year by the certified amount remaining for each such category
21 from the prior fiscal year.

22 (cf: P.L.2023, c.197, s.13)

23

24 11. This act shall take effect immediately.

25

26

27

STATEMENT

28

29 This bill establishes the "Next New Jersey Program" within the
30 New Jersey Economic Development Authority (EDA) and modifies
31 certain provisions of the "New Jersey Economic Recovery Act of
32 2020," P.L.2020, c.156 (C.34:1B-269 et al.).

33 The purpose of the Next New Jersey Program would be to attract
34 new investment to New Jersey in the artificial intelligence (or "AI")
35 industry and AI-related industries, create new jobs and economic
36 opportunities, and to position New Jersey as a leader in the
37 innovation economy.

38 Under the program, the EDA would provide tax credits to
39 eligible businesses, following approval of an application by the
40 EDA, to eligible AI businesses. Eligible AI businesses would
41 include a business or division that is primarily engaged in the
42 artificial intelligence industry or large-scale artificial intelligence
43 data center industry. A business would be considered primarily
44 engaged in such an industry if at least 50 percent of the business's
45 employees are engaged in AI-related activities, or at least 50
46 percent of the business's revenue is generated from AI-related
47 activities. The bill defines "artificial intelligence" or "AI" to mean
48 the development of software and hardware, and the end-use

1 application of technologies that are able to perform tasks normally
2 requiring human intelligence, including, but not limited to, visual
3 perception, speech recognition, decision-making, translation
4 between languages, and generative artificial intelligence, which
5 generates new content in response to user inputs of data.

6 The bill provides that an eligible business that executes a project
7 agreement with the EDA pursuant to the provisions of the Next
8 New Jersey Program may receive tax credits as authorized under the
9 project agreement. The bill defines "project" to mean a capital
10 investment at a qualified business facility and an employment
11 commitment specified in the eligible business's project agreement.
12 The bill defines "qualified business facility" to mean any building,
13 complex of buildings, or structural components of buildings, and all
14 machinery and equipment located therein, used in connection with
15 the operation of an eligible business.

16 Under the bill, the amount of the tax credit allowed for a
17 particular project would equal to the lesser of: (1) the product of
18 0.1 percent of the eligible business's total capital investment
19 multiplied by the number of new full-time jobs; (2) 25 percent of
20 the eligible business's total capital investment; or (3) \$250 million.

21 The bill provides that up to \$500 million in tax credits, originally
22 allocated for the New Jersey Aspire Program and the Emerge
23 Program, be made available to eligible AI businesses under the
24 Next New Jersey Program. Additionally, the bill provides that if
25 the EDA awards less than the annual limitation of tax credits under
26 the New Jersey Aspire Program and the Emerge Program, then the
27 uncommitted credits would also be made available to eligible AI
28 businesses under the Next New Jersey Program.