

NJ MVP PHASE 3

New Jersey Manufacturing Voucher Program

<https://www.NJEDA.gov/MVP3>



NJ Manufacturing Voucher Program



The NJ MVP program provides New Jersey **manufacturers** a **reimbursement grant** to access equipment they need to become more efficient, productive, and profitable.



Applications will be received on a rolling basis and will remain **open** until all funds are committed. Total allocation is **\$10,000,000**.



Awards are **sized at 30% – 50% of the cost of the eligible equipment, capped at \$250,000 per company**.



Targets the State's **priority sectors & higher award percentage bonus for small businesses**.



Bonuses are focused on certified woman, minority, and veteran owned businesses (**WMVB**), **opportunity zone**, and **purchasing from a NJ manufacturer**

Bonuses

Stackable 5% Bonuses Available for each of the following

- ▶ Opportunity Zone Eligible Census Tract
- ▶ NJ Certified Woman, Minority, and Veteran Owned Businesses (WMVB)
- ▶ At least one Collective Bargaining Agreement in place
- ▶ Manufacturers with fifty (50) or less FTE's

Stackable 10% Bonuses Available for the following

- ▶ Equipment Purchased from a New Jersey manufacturer
(equipment must be assembled and/or manufactured in NJ)

**Companies with employees over 100 FTE are capped at 40% of the award*

***Companies with 100 FTEs or less are capped at 50% of the award*

Maximum award amount of \$250,000

Award Structure

Minimum Award : 30% of Project costs	Max Award	Cap
100 FTE or less	Max Award of 50%	\$ 250,000.00
Greater than 100 FTE	Max Award of 40%	\$ 250,000.00

Minimum Project Cost (Equipment + Installation)	Min Award	Up to Award Amount	Max Award	Up to Award Amount
\$ 25,000.00	30%	\$ 7,500.00	50%	\$ 12,500.00
\$ 50,000.00	30%	\$ 15,000.00	50%	\$ 25,000.00
\$ 75,000.00	30%	\$ 22,500.00	50%	\$ 37,500.00
\$ 100,000.00	30%	\$ 30,000.00	50%	\$ 50,000.00
\$ 250,000.00	30%	\$ 75,000.00	50%	\$ 125,000.00
\$ 500,000.00	30%	\$ 150,000.00	50%	\$ 250,000.00
\$ 750,000.00	30%	\$ 225,000.00	50%	\$ 250,000.00
\$ 800,000.00	30%	\$ 240,000.00	50%	\$ 250,000.00
\$ 1,000,000.00 +	30%	\$ 250,000.00	50%	\$ 250,000.00

Eligibility Requirements

- ▶ Must **be a registered New Jersey manufacturing company** in good standing with the state at the time of Approval (Tax Clearance, DOL, and DEP checks). *A new manufacturer to NJ could be eligible ,as long as, they register to do business in NJ and provide a tax clearance certificate at the time of approval.*
- ▶ Must provide Purchase Quote, Order Proforma, Equipment Listing. *(Applicants must be seeking assistance for a project they are actively contemplating but have yet to commit to.)* Projects where a contract has been signed, a Purchase Order placed, a deposit made in advance or previously purchased equipment prior to a NJMVP application, will not be eligible for this program)
- ▶ For profit and not-for-profit companies are eligible but **home-based** businesses are **ineligible**
- ▶ New equipment and/or used equipment are eligible and must be installed in a New Jersey facility
- ▶ Must be a **manufacturer** in a **Targeted Industry** or equipment meets **Advanced Manufacturing** definition

Eligibility Requirements Continued

- ▶ All contracts equal or greater to **\$2,000** where equipment installation requires construction; for example, if any contracts are issued for Plumbing, Electricians, or Carpenters or any other construction trades for the installation of equipment(s) **subject to Prevailing Wage Law**
- ▶ Equipment must be used in the **manufacturing** process in a New Jersey location. *Eligible capital assets shall include any form of manufacturing equipment, technologically advanced equipment or production/operating systems, including but not limited to robotics, additive manufacturing, hardware or software for digital twinning, advanced sensor or control systems, IIoT (interconnected sensors, instruments, and other devices networked together with computers' industrial applications) systems and related security*

- ▶ Total aggregated **project cost** (equipment + installation) must be **at least \$25,000.00**

New to NJ MVP Phase 3

- ▶ To ensure equitable access to funding, Phase 3 applications will be **prioritized for new applicants** who have not previously been or will be awarded grants under Phase 1 or Phase 2 (based on EIN) **during the initial two-week application period**.
Following this period, all eligible businesses will have the opportunity to apply for funding, subject to available resources.

Targeted Industries

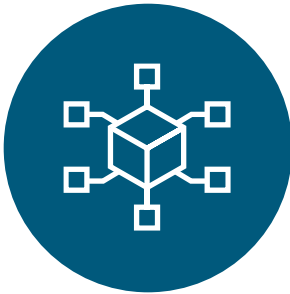


LIFE
SCIENCES



CLEAN
ENERGY

TECHNOLOGY



NON-RETAIL FOOD
& BEVERAGE



OFFSHORE
WIND

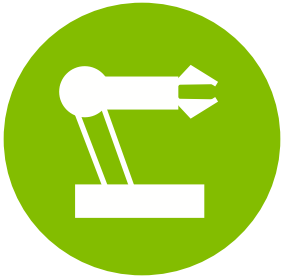


ADVANCED
MANUFACTURING



ADVANCED
TRANSPORTATION
AND LOGISTICS

Advanced Manufacturing



► **Advanced manufacturing industry** includes, but is not limited to, activities that integrate advanced or innovative technologies, processes and materials to improve the manufacturing of products. Such activities include research, development, commercialization, and implementation of new manufacturing methods and processes that utilize technology or other innovative methodologies including both physical equipment and software supporting advanced production. Examples of advanced manufacturing technologies include additive manufacturing technologies, computer-aided manufacturing, utilization of advanced sensors and robotics to improve production, development of advanced materials to support production, and digital twin development and utilization. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

Under the NJ MVP, a non-targeted company could apply for the incentive if the manufacturing equipment that is being purchased, fits within the definition or example above.

Application Fees and Recapture Provision

Project Cost	Application Fee
\$25,000 +	\$1,000

Moves out of State within	Recapture Percentage of the Face Value
1 year of executed grant agreement	100%
2 years of executed grant agreement	60%
3 years of executed grant agreement	30%

If, in any tax period within the first 3 years of executed grant agreement, the company decides to leave the state or move the approved equipment out of the state, the above recapture schedule will apply.

Application Process

1. One (1) Online **application** (can be found at www.njeda.gov/mvp3):
 - a. \$1,000 non-refundable application fee is required at submission.
2. Solicited manufacturing equipment **cannot** be purchased **prior to the application**. However, an applicant could purchase the equipment after the submission of the application and fee payment, at their own risk and with no guarantee of grant funding, prior to NJEDA approval.
3. Approved applicants must order/purchase the specified equipment no later than, thirty (30) days of the effective date of the Closing Voucher Agreement.

****Note: Applications will be received until the total program allocation is exhausted***



Application Item Checklist

1. NJ State certifications of: [Business.NJ.gov](https://www.business.nj.gov/mwbe) | [MWBE](#), [SBE](#), [VOB](#) and [Other Certifications](#)
 - a. Woman Owned Businesses
 - b. Minority Owned Businesses
 - c. Veteran Owned Businesses

UPLOAD CERTIFICATION AS EVIDENCE

2. Upload most recent quarterly NJ WR-30: required only for companies with **100 or less FTE** (full time equivalents)
3. Collective Bargaining Agreement: Only one that is current and has been executed by all parties, to be uploaded.
4. [NJ MVP Employee Log](#): required only for companies with **50 or less FTE** (full time equivalents).
5. Equipment quote/s or other 3rd party justification of cost of equipment and installation.
 - ▶ Projects where a contract has been signed, a Purchase Order placed, or a deposit made in advance of submitting an MVP application, **WILL NOT** be considered for funding
 - ▶ The company will be allowed 12 months for the delivery and installation of the equipment with two 6-month extensions before the funds are disbursed.

Labor Compliance for Equipment Installation

When is registration with NJ Department of Labor's Public Works Contractor, the New Jersey Prevailing Wage Act, and Affirmative Action required?

If the Project is expected to involve construction, reconstruction, demolition, custom fabrication, repair work, or maintenance work, including painting and decorating, with construction costs of \$2,000 or more, using contractors such as **Plumber, Electrician, or Carpenter or any other construction trades for the purpose of installing the equipment**, the Project will be required to comply with the NJ Department of Labor's Public Works Contractor Registration Act, the New Jersey Prevailing Wage Act, and Affirmative Action.

Compliance steps required during the hiring process of a contractor:

1. Register: All contractors and subcontractors must be registered with the NJ Department of Labor. This applies to new contracts (awarded after April 1, 2020) requiring prevailing wage payments. Existing contracts are exempt.
2. Prevailing Wage: Include the Authority's Prevailing Wage Addendum in your construction contracts.
3. Subcontractors: List only registered subcontractors in your bid proposals.
4. Apprenticeship Programs: Participate in a registered apprenticeship program (effective May 1, 2019). Ensure your subcontracts also require this.
5. Find Resources: Regulations, forms, and guidance documents are available at www.njeda.gov/affirmativeaction.

All construction contracts awarded in New Jersey that require payment of prevailing wage must also provide proof of valid Construction Contractor Registration Certification ("CRC").

- ▶ Avoid loss of incentives for non-compliance.
- ▶ By following these instructions, you can ensure your construction project, for the purpose of installing the equipment complies with New Jersey's labor and affirmative action regulations.

Award & Reimbursement Disbursement

- ▶ Companies and organizations may submit multiple equipment requests on a single application, so long as the aggregate amount awarded to any one company doesn't exceed \$250,000 over the life of the program and total minimum aggregated project cost is at least \$25,000.
- ▶ Approved applicants must order/purchase the specified equipment no later than thirty (30) days of the effective date of the Closing Agreement.
- ▶ The company will be allowed 12 months for the delivery and installation of the equipment with two 6-month extensions before the funds are disbursed.
- ▶ One single award disbursement will be issued when proof of equipment delivery and installation in a New Jersey facility, is provided.
- ▶ Program prohibits the addition and or changing of equipment that was not listed in the original application. However, there is some flexibility. If the equipment is of the **same nature** of that originally requested equipment, then it is ok. An example: If you applied for a Sony TV and now want to purchase a 4K LG TV, that would be ok. What would not be eligible is applying for a Sony TV then requesting to buy a printer instead. The program does allow applicants to change the purchase vendor, but this might affect the loss of bonus for buying from a New Jersey manufacturer.



Disbursement Requirements

The following will be required once you have installed all approved equipment(s) and you are ready to provide proof of payment and installation.

The **Disbursement Requisition Form** and **Certification form** will be provided to the applicant during the Closing Process.

- ▶ NJ Manufacturing Voucher Program (NJMVP) Disbursement Requisition Form.
- ▶ Paid Invoice with detail to the equipment purchased.
- ▶ If applicable, Equipment Lease Agreement or Equipment Finance Agreement.
- ▶ Current Tax Clearance Certificate (Valid only for 180 days)
- ▶ ACH bank information (Account # and Routing #):
- ▶ Bank statement or Bank Letter with name, account, and Routing # reflected or a Voided Blank Check

Labor Compliance – AA/PW Requirements:

- ▶ Contractor Release Letter showing project is deemed in full compliance with AA/PW requirements, or
- ▶ No Construction Acknowledgment Letter

Proof of installation:

- ▶ NJEDA Certification that the equipment has been installed in the NJ location
- ▶ Packing Slip showing delivery address of equipment

NJ MANUFACTURING VOUCHER PROGRAM PHASE 3





For More Information:

www.njeda.gov/mvp3 | njmvp@njeda.gov



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