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RULE ADOPTIONS

**OTHER AGENCIES
NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

40 N.J.R. 1927(b)

Adopted Amendments: N.J.A.C. 19:31-2.1 and 3.1

Authority Assistance Programs

Exposure Limits for Direct Loan Participations and Guarantees

Authorized By: New Jersey Economic Development Authority, Caren S. Franzini, Chief Executive Officer.

Proposed: December 3, 2007 at *39 N.J.R. 5071(a)*.

Adopted: March 12, 2008 by the New Jersey Economic Development Authority, Caren S. Franzini, Chief Executive Officer.

Filed: March 12, 2008 as R.2008 d.89, **without change**.

Authority: *N.J.S.A. 34:1B-1* et seq.

Effective Date: April 7, 2008.

Expiration Date: July 22, 2010.

Summary of Public Comment and Agency Response:

No public comments were received.

Federal Standards Statement

The adopted amendments are not subject to any Federal standards or requirements; therefore, a Federal standards analysis is not required.

Full text of the adoption follows:

SUBCHAPTER 2. LOAN GUARANTEE PROGRAMS

19:31-2.1 Program description

(a)-(b) (No change.)

(c) There are five types of guarantees available: Fixed Asset Guarantees, Working Capital Guarantees, Special Guarantees, Film Production Program Assistance Guarantees and Smart Growth Pre-development Guarantees.

1. (No change.)

2. Under the Working Capital Guarantee program:

i. The Authority may guarantee the lesser of \$ 1.5 million or 90 percent of the principal amount of the financing;

ii.-iii. (No change.)

3.-5. (No change.)

(d) (No change.)

(Agency Note: The text of *N.J.A.C. 19:31-3.1* below incorporates amendments proposed at *40 N.J.R. 110(a)* and adopted elsewhere in this issue of the New Jersey Register.)

SUBCHAPTER 3. DIRECT LOAN PROGRAM

19:31-3.1 Program description

(a) (No change.)

(b) Except as otherwise provided in this subsection, direct loans are available in a maximum amount of \$ 1,250,000 for fixed asset financing and \$ 750,000 for working capital.

1.-6. (No change.)

(c)-(i) (No change.)

(j) The Authority may make direct loans in excess of \$ 1,250,000 and up to \$ 2 million for fixed assets. An applicant for a direct loan in excess of \$ 1,250,000 shall:

1.-3. (No change.)

(k) Notwithstanding (j) above, an existing New Jersey company that is not targeted by the Authority as set forth in N.J.A.C. 19:30-5, but can meet the criteria set forth in (j)2 above shall be eligible for a direct loan in excess of \$ 1,250,000 if it can demonstrate that at least 400 permanent full-time jobs shall be maintained in New Jersey and the Authority's exposure shall be maintained in New Jersey and the Authority's exposure shall not exceed \$ 50,000 per job maintained.

(l)-(m) (No change.)