

CHAPTER 84

AN ACT concerning certain small business funding and supplementing P.L.1974, c.80 (C.34:1B-1 et seq.).

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

C.34:1B-252 Definitions relative to certain small business funding.

1. As used in sections 1 and 2 of P.L.2016, c.84 (C.34:1B-252 et seq.):

“Association” means a non-profit business advocacy association whose membership comprises small businesses in need of surety bonding.

“Authority” shall have the same meaning as provided in section 3 of P.L.1974, c.80 (C.34:1B-3).

“Fund” means the “Small Business Bonding Readiness Assistance Fund” established pursuant to section 2 of P.L.2016, c.84 (C.34:1B-253).

“Program” means the “Small Business Bonding Readiness Assistance Program” established pursuant to section 2 of P.L.2016, c.84 (C.34:1B-253).

“Small business” means a business engaged in the conduct of a trade or business in this State that qualifies as a “small business concern” within the meaning of the federal “Small Business Act,” Pub.L.85-536 (15 U.S.C. s.631 et seq.) for the purpose of the small business’s eligibility for performing a contract offered by the federal government or for assistance from the United States Small Business Administration. “Small business” shall also include a small business established in this State that is certified, pursuant to federal law, under the United States Small Business Administration’s 8(a) Business Development Program or the HUBZone Program, or as a Small Disadvantaged Business, or as a Section 3 business concern by the United States Department of Housing and Urban Development.

C.34:1B-253 “Small Business Bonding Readiness Assistance Program,” “Small Business Bonding Readiness Assistance Fund.”

2. a. (1) The New Jersey Economic Development Authority shall establish and maintain a program to be known as the “Small Business Bonding Readiness Assistance Program” to provide support services to small businesses and to assist small businesses in securing surety bonding so that small businesses may bid on public works projects or perform contracts offered by the State or by the federal government.

(2) The authority shall enter into an agreement with a non-profit business advocacy association concerning the association’s provision of support services and assistance to small businesses seeking surety bonding. The support services and assistance provided shall be designed to increase small businesses’ bonding knowledge and capacity in order for small businesses to qualify for surety bonding. The support services and assistance to small businesses shall focus on improving small businesses’ financial presentation, operational efficiency, profitability, and surety bonding capacity and knowledge through a series of workshops and strategic consulting sessions.

b. The authority shall establish the terms and conditions by which a small business may apply for the program.

c. The authority shall establish and maintain within the program a special non-lapsing revolving fund to be known as the “Small Business Bonding Readiness Assistance Fund” to provide grant funding to small businesses that participate in the program, grant funding to an association that provides small businesses participating in the program with support services and assistance, and to administer the program.

d. In administering the program and the fund, the authority shall establish:

- (1) procedures and timelines for applications for the program;
- (2) criteria for determining grant amounts to be disbursed from the fund to small businesses to meet their surety bond requirement;
- (3) reporting requirements for small businesses accepted into the program and who receive a grant from the fund; and
- (4) any other policies deemed necessary by the authority for the administration of the program and the fund. The authority, in its sole discretion, may amend these policies at any time if the policies are established or amended in a manner consistent with the provisions of P.L.2016, c.84 (C.34:1B-252 et seq.).

e. The fund may be credited with:

- (1) moneys made available by the authority for the purpose of the fund; and
- (2) moneys received by the authority from any public or private donations. The authority is authorized to seek and accept gifts, grants, or donations from private or public sources for deposit in the fund, except that the authority may not accept a gift, grant, or donation that is subject to conditions that are inconsistent with any other law of this State.

3. This act shall take effect immediately but shall remain inoperative for 30 days following the date of enactment.

Approved January 4, 2017.