



Fiscal Year 2022 Budget Proposal: Investing in Economic Growth

New Jersey's small businesses and the Main Streets many of them call home have always been the backbone of New Jersey's economy. Hit hard by the COVID pandemic, these businesses have been forced to adapt over the past year to a vastly changed economy.

This budget allocates almost \$150 million in funding to help small businesses recover and thrive, which bolsters the \$50 million allocation from the recently signed Economic Recovery Act. In all, this commitment means we're ready to deploy almost \$200 million over the next two years in direct grants, loans, loan guarantees, and other tools for countless Main Street small businesses.

That \$200 million commitment complements another boost for our business sector when the Murphy Administration announced that all the federal support our businesses received through the Paycheck Protection Program would be exempt from state taxes. For the average New Jersey business, this will be a tax savings of nearly \$10,000.

This \$200 million initiative includes the following components, boosting economic recovery in our communities, providing access to capital for minority-owned businesses, and helping government support sustainable economic growth:

- **\$100 million** allocated from the recently passed Economic Recovery Act's Main Street Recovery Finance program (\$50 million is available in FY2021 and an additional \$50 million is proposed for FY2022).
- **\$25 million** for EDA's lending programs such as Premier Lender and Microbusinesses;
- **\$20 million** for the NJRA's Urban Site Acquisition Fund and Redevelopment Investment Fund, the first State investment in the NJRA since 2002;
- **\$15 million** for Permit Modernization across State departments and for local governments;
- **\$13.5 million** for the Department of Transportation's Local Aid and Economic Development Grants, including the Transit Village, Safe Streets to Transit, and Bikeways programs;
- **\$10 million** for EDA's Black and Latinx Seed Fund initiative;
- **\$6.5 million** for DCA's Neighborhood Preservation Program and Main Street New Jersey, allowing each to expand to significantly more communities;
- **\$5 million** for the Department of State's Business Marketing Initiative;
- **\$3.2 million** for the Commission on Science, Innovation and Technology;
- **\$1 million** for EDA's NJ Ignite; and
- **\$500,000** to double funding for EDA's Small Businesses Bonding Readiness Assistance program