TO: Tim Sullivan, Chief Executive Officer
New Jersey Economic Development Authority (NJEDA)

FROM: New Jersey Manufacturing Extension Program (NJMEP)
New Jersey Business & Industry Association (NJBIA)
Healthcare Institute of New Jersey (HINJ)
Chamber of Commerce Southern New Jersey (CCSNJ)
New Jersey State Chamber of Commerce (NJCC)

DATE: August 22, 2025

RE: Public Comments on the Draft Rules for the Next New Jersey Manufacturing Program

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On behalf of New Jersey's business community and manufacturers statewide, thank you for the opportunity to comment on the draft rules for the new Next New Jersey Manufacturing Program. We appreciate that you and the NJEDA released this draft so quickly after the bill signing last week that we were all able to attend and support, so we quickly reached out to our members/clients to compile our recommendations to make this program a resounding success. Manufacturing is a cornerstone of our economy and a key driver of innovation, productivity, and good-paying jobs. This program has the potential to build on that foundation — but to do so successfully, the rules must be implemented in a way that is **business-friendly, competitive with other states, and designed to maximize participation.**

The New Jersey business community respectfully submits the following recommendations for NJEDA's consideration on how to make the Next New Jersey Manufacturing Program as successful as possible:

- **<u>A "Yes-Oriented" Approach</u>**

The draft rules should be written with the clear intent of **helping applicants succeed/finding ways to get to "yes,"** instead of looking for reasons to reject them/finding ways to say "no." Manufacturers operate in a highly competitive environment; so state incentives must project predictability and support. This means flexible interpretations where possible under statute, consistent guidance, and program administration that is focused on getting to "yes."

- **<u>Minimum Thresholds & Flexibility to Offset Loss of MVP</u>**

We have resoundingly heard from our members and clients that this program's statutory thresholds of **$10 million investment and 20-job minimum** may inadvertently exclude many smaller manufacturers who previously benefited from the successful and over-subscribed Manufacturing Voucher Program (MVP). Beyond **restoring MVP's funding**, which we all support, we encourage you to think creatively about ways this new program can support smaller manufacturers. Within statutory limits, this new program should build in as much **flexibility as possible**. This includes accommodating projects that might not fit a one-size-fits-all model, and exploring creative mechanisms such as:

  - Allowing **multi-location manufacturers** across the state to count cumulatively towards the thresholds

- Permit **consortia or partnership applications** where groups of manufacturers apply jointly
- Reiterate NJEDA support to the Legislature for restoring **MVP funding** to serve the small-business segment that may be missing in this new tax incentive program

- **<u>Marketing, Promotion & Support</u>**

To ensure strong awareness and uptake, NJEDA should formally include **NJMEP, NJBIA, HINJ, CCSNJ, and NJCC** as partners in promoting and marketing this program. These organizations have direct and trusted relationships with manufacturers statewide, and their collaboration will drive participation while ensuring feedback loops from industry. These organizations could also be brought in to consult with and support their manufacturing members clients applying to the NJEDA for the program.

- **<u>Simplified Application Process</u>**

Many smaller manufacturers, if they are able to meet the minimum thresholds, lack the staff or resources to hire tax incentive consultants. The application should therefore be **as straightforward and user-friendly as possible**, written in plain language, and supported with online tools, FAQs, and direct NJEDA staff assistance. This will help ensure all businesses — regardless of size or sophistication — can access the program equitably.

- **<u>Streamlined Interagency Approvals</u>**

Applicants should not be penalized by lengthy waits for permits, licenses, or approvals from other state or local agencies. We recommend:

- **Automatic deadline extensions** if delays are due to pending government approvals, not the applicant.
- NJEDA acting as a **facilitator across agencies** to reduce bottlenecks when multiple government agency approvals may be needed

- **<u>Fees in Line with Other States</u>**

To remain competitive, **application fees** must be aligned with peer states and not set at higher levels. New Jersey already faces high operating costs compared to regional competitors; program fees should not become a deterrent to participation.

- **<u>Workforce Development Collaboration</u>**

We support the program's emphasis on workforce development but urge the following clarifications:

- It should be very clear that **ALL education and training providers** — including county colleges, county vo-techs, all four-year higher education institutions, and private career schools — should be eligible partners.
- To encourage alignment with statewide workforce strategy, consider **additional applicant flexibility or application credit** where partnerships are tied to the existing and successful **NJ Pathways to Career Opportunities program (Pathways)**.

- **Compliance and “Good Standing”**

Clarify that ineligibility for not being “in good standing” should only apply to **officially adjudicated violations**, not unproven allegations or minor technical errors. Manufacturers should not be penalized for administrative mistakes or unresolved disputes.

- **Electronic Reporting**

All reporting should be allowed and encouraged through **electronic submission**, reducing paperwork burdens and increasing efficiency for both applicants and NJEDA staff.

Conclusion

The new Manufacturing Program presents an important opportunity to strengthen New Jersey’s industrial base. By implementing rules that are flexible, fair, and business-friendly — while ensuring accountability — NJEDA can maximize the program’s success and make New Jersey more competitive for manufacturing investment.

We appreciate your consideration of these comments and look forward to continued collaboration to make this program a model for economic development. If anyone from the NJEDA has any comments or questions about these recommendations from the business community, please email Christopher Emigholz, NJBIA’s Chief Government Affairs Officer. Thank you again!