

NJ Business Action Center Resources for Recovery & Growth

MELANIE WILLOUGHBY EXECUTIVE DIRECTOR





LONG HISTORY OF SERVICE TO NJ BUSINESSES

Over Thirty Years of Service to the NJ Business Community Three Offices Devoted to Business Advocacy

- Office of Business Advocacy Help with real estate site searches, to find the right location whether growing or consolidating in response to the changing COVID environment
- Office of Small Business Advocacy From startups to main street, help small businesses access a variety of resources and answer all their questions
- Office of Export Promotion Companies interested in global business activities can tap into a number of resources, like creating an export plan, guidance in identifying global export markets, guiding you through foreign custom procedures





SO HOW CAN THE NJBAC HELP YOU?

Think of the NJBAC as Your Connector

"Those unique people who always seem to know how to help, or if they can't, know someone who can and who quickly and freely put you in touch with them" - Margot Andersen, author/scholar

Our team at the NJBAC

- Connects you with the technical assistance you need for a fiscal stability and business continuity, like writing a business plan
- **Identifies** critical access to capital and local, state and federal grant and loan programs, like the SBA, EDA, CDFI's, local banks
- **Provides** guidelines for operating your business safely and identifies access to PPE https://forms.business.nj.gov/ppevendor/list/
- Clarifies State mandated employee benefits, like earned sick leave
- **Identifies** the licensing and certification requirements you need to operate





SO HOW CAN THE NJBAC HELP YOU?

Think of the NJBAC as Your Connector

Our team at the NJBAC knows all of the state departments and agencies and outside organizations that can directly answer your question, solve your problem, and provide you with resources and technical assistance:

NJBAC connects you with:

- New Jersey Economic Development Authority
- New Jersey Treasury Department
- New Jersey Department of Labor and Workforce Development
- NJ Consumer Affairs Division
- New Jersey Department of Community Affairs
- New Jersey Small Business Development Centers
- SCORE
- Downtown New Jersey
- Programs available from your County or Municipality







business.nj.gov

- Robust search function providing immediate targeted answers
- Plan, Start, Operate, Grow content crafted around where you are in your journey as a business
- **Business Starter Kits** jump start your development with one of these kits, food trucks, online commerce, cleaning services, restaurants, etc.
- Over 100 FAQs detailing important state agency services for businesses
- Live Chat, powered by NJBAC Business Experts making contact with state government very easy
- Create a Business Plan Step by step process provided to help craft game plan, hone product, understand customer base and guide decision-making to set up business for success.
- **Filings and Accounting** Find due dates for important license renewals, tax statements, and reporting forms, as well as information on how to file annual reports and access Premier Business Services
- Contract with the State Step by step process for many opportunities for a wide variety of business sectors to do business with the State





business.nj.gov/covid

NJBAC has answered over 60,000 questions from businesses using the live chat feature of the website and the NJBAC Hotline https://business.nj.gov/covid

NJBAC answers COVID-19 questions as the Governor and agencies issue new orders and standards and programs

- Access to Personal Protective Equipment (PPE)
- Details on COVID -19 Safety Protocols on state and federal levels
- Details on COVID-19 State Government Executive Orders, NJ Dept of Health Administrative Orders and State Police Administrative Orders
- Links to Access To Capital, Grants And Loans
- Access to Technical Assistance through the Small Business Development Centers
- What To Do If My Employees Have COVID?





BUSINESS CHECKLIST



STARTING A NEW BUSINESS CHECKLIST

YOU HAVE A GREAT IDEA FOR A NEW BUSINESS. WHAT'S NEXT?

- Research the industry you are interested in using free resources such as the U.S. Census Bureau and the business or hobby tool from the IRS.
- When you are ready to move forward, it's time to decide on your business structure. According to the IRS, the most common forms of business are the sole proprietorship, partnership, corporation, and S corporation. A Limited Liability Company (LLC) is a business structure allowed by state statute. Legal and tax considerations enter into selecting a business structure. Use this IRS tool to learn about each type of business structure. You can also learn more from the Small Business Administration (SBA) tool.
- Now, it's time to write a comprehensive business plan, including an executive summary, company description, description of your products and services, a market analysis, a plan for overall strategy and implementation, information on the organization and management team and financial plan and projections. Check out <u>business.nj.gov</u> for a business plan template.



☐ Although not required, a new business should take advantage of the taxpayer-supported services available from the New Jersey Small Business Development Center Network. The network consists of 12 regional offices that provide business counseling at no cost. They can help you write or review your business plan.

You can download your copy of "Starting A New Business Checklist" and share it with your colleagues.

https://www.nj.gov/state/bac/assets
/pdf/nj-new-business-checklist.pdf





NJ SECURE CHOICE SAVINGS ACT

Employers Who Must Participate

- Profit or non-profit employer
- Have employed 25 or more workers during the past calendar year
- Have been in business for at least two years
- Do not offer their employees the ability to participate in a qualified retirement plan such as a 401(k) or 403(b) plan
- Employers also do not have to offer the Program to independent contractors (1099 employees) who do work for them

Timing

• Employee enrollment was to begin on March 28, 2021, however the program is delayed and employers will be notified of new start date





NJ SECURE CHOICE SAVINGS ACT

How Does the Program Work?

- All W-2 employees are eligible to participate including part-time employees
- Unless employees proactively opt-out, they will be automatically enrolled and contribute 3% of pre-tax income into the Secure Choice Savings Program through a payroll deduction
- Employers must provide information about the Program to their employees
- This includes providing enrollment packets to all new employees within 30 days of hire
- The Program does not allow for employer contributions

Penalties for Employer Non-Compliance

- Employers may incur a penalty if they do not comply with the Program
- In the first calendar year, if employer does not comply with the Program, will only receive written warning





Economic Recovery Act of 2020

- An additional \$50M recommended for the **Main Street Recovery Fund** in the Economic Recovery Act for a total of \$100M
 - Main Street Recovery Fund supports micro business owners and partnering entities that can serve micro businesses, such as Community Development Financial Institutions (CDFIs) and Economic Development Corporations that meet specific criteria
 - Eligibility a business must have less than \$1 million in annual revenue according to its most recent tax return and fewer than 10 full-time employees
- The Historic Property Reinvestment Program a \$50 million competitive tax credit program to leverage the federal historic tax credit program to support transformative rehabilitation projects of identified historic properties.





Economic Recovery Act of 2020 (continued)

- \$25 Million for NJEDA Lending Programs
- \$1 Million for Ignite to provide grants to NJEDA for approved collaborative workspaces for the benefit of early-stage innovation economy businesses
- \$500K for Small Business Bonding Readiness
 - Program provides a comprehensive series of classes relevant to small businesses sectors, including bonding and insurance, business development, financial presentation, construction, contract law. construction management, estimating, and credit
 - At the end of program, all participating businesses receive a Bonding Readiness Segment Report, which provides an in-depth assessment of their strengths and weaknesses to help them plan for the future





Economic Recovery Act of 2020 (continued)

- \$150 Million for a Small Business
 - Urban site acquisition and redevelopment
 - Black and Latinx Seed Fund
 - Neighborhood Preservation
- 1.1B over 6 years for 2 new programs
 - **Emerge** encourages economic development in Governor Murphy's priority sectors by providing per-job tax credits for up to seven years.
 - **Aspire** is a gap financing tool to support commercial, mixed use, and residential real estate development projects that replaces the Economic Redevelopment and Growth Grant (ERG).





Economic Recovery Act of 2020 (continued)

- The Brownfields Redevelopment Incentive a \$50 million per year competitive, project-based one-time transferrable tax credit for environmental remediation, abatement, and demolition for redevelopment of brownfields sites for commercial, retail, or mixed-use
- The Food Desert Relief Program addresses the food security needs of communities across New Jersey by providing tax credits, loans, grants, and/or technical assistance to increase access to nutritious foods and develop new approaches to alleviate food deserts
- The New Jersey Innovation Evergreen Fund (NJIEF) is a partnership with the private sector that will raise and invest funds in New Jersey-based companies to address New Jersey's shortfalls in venture capital funding and create the conditions necessary for entrepreneurs to succeed.

You can review all the Programs & Funding available through the NJEDA at https://www.njeda.com/economicrecoveryact/#Programs



GUIDANC UPPO!

PRESIDENT BIDEN'S STIMULUS PACKAGE

Stimulus Relief for Small Businesses (House Version)

- Would provide \$15 billion to **Emergency Injury Disaster Loan** program (EIDL), for long-term, low-interest loans from the SBA
 - Severely impacted small businesses with fewer than 10 workers will be given priority for some of the money
- Would provide \$25 billion for new grant program specifically for bars and restaurants
 - Eligible businesses may receive up to \$10 million, can use the money for expenses, including payroll, mortgage and rent, utilities and food and beverages
- Paycheck Protection Program would get additional \$7 billion and would make more non-profit organizations eligible
- \$175 million would be used for outreach and promotion, creating a **Community Navigator Program** to help target eligible businesses







Did You Know . . .

More than 95% of the world's consumers are outside of the U.S.







Did You Know . . .

Exporting can be profitable for businesses of all sizes







Did You Know . . .

There are NJ resources to assist your firm's exporting efforts







Supports Companies Exporting

Assesses export readiness of business, develops an export plan

- Identifies informational opportunities about exporting basics, regulatory compliance, customs procedures, and reporting
- Collaborates with state and federal agencies to support growth of global sales
- Identifies global business opportunities, helps locate buyers
- Encourages small and medium-sized exporters to expand into other countries





NJ State Trade Expansion Program (NJ STEP)

Designed for eligible small businesses that either:

- New to exporting
- Currently selling their goods & services in other countries

Funded in part through a Grant with the U.S. Small Business Administration.

• Financial awards based upon a first come, first serve competitive basis







NJ State Trade Expansion Program (NJ STEP)

Financial awards to partially offset export promotion costs

- Foreign Trade Missions
- Subscription Fees to Data Bases
- Website/E-Commerce
- Translation of Websites (audio and/or video)
- Design and/or Translation of Marketing Material/Media with International Focus
- Trade Show Booth Exhibition
- Reverse Trade Missions







NJ State Trade Expansion Program (NJ STEP)

Application may be found through the following link:

https://www.nj.gov/state/bac/bac-njstep.shtml

Questions may be directed to William Spear at:

william.spear@sos.nj.gov

Call the New Jersey Business Action Center at: 1-800-JERSEY-7



GUIDA COLO UPPO

Office of Export Promotion

NJ State Trade Expansion Program (NJ STEP)





Like all businesses, the winery was faced with a new uncertainty, wondering what a global pandemic would mean to the company and its employees. Tastings, weddings and other events would be affected the most, but the winery has seen growth and success thanks to its early embrace of the possibilities of e-commerce and its work to pursue exporting with the help of grants received through the Office of Export Promotion New Jersey State Trade Expansion Program. Owner Jack Tomasello estimated e-commerce sales are up some 37 percent since March, when New Jersey declared a public health emergency.



GUIDANC UPPO

Office of Export Promotion

NJ State Trade Expansion Program (NJ STEP)





Princeton-based CAREOX has been in the respiratory industry for some 30 years. While focused on health and safety of his employees due to Covid, the company continued exporting its products to places like South Korea, Japan, Turkey and the European Union. CAREOX, a recipient of two NJ State Trade Expansion Program grants, used the funds to attend trade shows to reach potential new customers. Advocates from the Office of Export Promotion, part of the New Jersey Business Action Center, assisted CAREOX during the application process. The Office of Export Promotion administers the grants.







Government Procurement

- **Procurement is important** in business because it directly impacts a company's profit margin
- Federal government procurement by public authorities in the United States accounts for about US\$7 trillion annually, making government in the United States the largest purchaser of goods and services in the world
- Government procurement is necessary because government does not produce the goods they need, they count on the private sector
- This presentation will only scratch the surface, but it will provide resources at the end where you can get technical assistance to help you plan for penetrating this new market and help you navigate its complexities





Government Procurement Basics

- Participating in government contracts can be lucrative, especially for a small business. However, it is also complicated and highly regulated
- Purchasing authorities have two, sometimes competing goals that can create conflicts
 - Purchase Agents have a responsibility to the taxpayer to secure the goods and services necessary to conduct the State's business in the most cost-effective way possible
 - Purchase Agents are also tasked with using the purchasing power to support the NJ businesses community, especially small, minority, woman or veteran owned businesses and other diverse suppliers





Four Separate Laws Govern Procurement

- Four separate laws and regulations govern government procurement
- Although they have similarities, each law is unique and must be understood by those seeking to become a vendor to this branch of government
 - Federal Procurement (various federal statutes) visit **The Office of Federal Procurement** for a summary (www.whitehouse.gov/omb/management/office-federal-procurement-policy)
 - State Procurement N.J.S.A. 52:34-6
 - County/Municipal Procurement N.J.S.A. 40A:11-1 et seq
 - School Districts N.J.S.A. 18A:18A-1 et seq.





Federal Certifications

Special Certifications can provide an advantage when pursuing government contracts. Special programs help small businesses win at least 23 percent of all federal contracting dollars each year

- Disadvantaged Business Enterprise (DBE)¹
- Emerging Small Business Enterprise Program (ESBE)¹
- 8(a) Business Development program²
- Women-Owned Small Business Federal Contracting program²

¹NJ Department of Transportation

(<u>www.state.nj.us/transportation/business/civilrights/dbe.shtm</u>) has delegated authority from the Federal Government to provide certifications for DBE and ESBE

²The US Small Business Administration (https://www.sba.gov/federal-contracting/contracting-assistance-programs) can provide assistance in obtaining 8(a) and WOSB Programs.





State Certifications

Important when pursuing State funded contacts or with Diversity Offices in the private sector (Office Depot, Verizon, Citi Bank, Walmart, NJ Natural Gas)

- Small Business Enterprises (SBE) NJ has a 25% set-aside
- Minority/Woman-Owned Business Enterprise (MWBE)
 - New Jersey does not offer gender or race-based set asides at this time
 - County Set-aside programs in Mercer, Essex, Hudson and Bergen Counties
- Veteran-Owned Enterprise (VOB)
- Disabled Veteran-Owned Business Enterprise (DVOB) NJ has a 3% set-aside
- There is a single Uniform application form at <u>www.njportal.com/DOR/SBERegistry</u>





State Government Procurement

The Division of Purchase and Property (DPP), within the Department of the Treasury, was created under N.J.S.A. 52:18A-3. It serves as the State's central procurement agency

- The DPP professionally and ethically procures the best valued products and services, in a timely and cost-effective manner in accordance with State laws and regulations, to enable client agencies to meet their objectives
- There are other contracting opportunities with other state, county, and local government subdivisions
- Cooperative purchasing groups can also play a large role in procurement. The Education Services Commission of NJ provides cooperative purchasing opportunities to 700 school districts and municipalities







Good Place To Start

NJ START (NJSTART.gov) is the states e-procurement system used primarily by the Division of Purchase and Property

- A registration process for all potential and current vendors
- Bidding opportunities from the Division of Purchase and Property (DPP)
- Searchable for Current Contracts
- Payments are processed through NJ START
- Can check for expiring contracts as a potential bid opportunity

Video available at https://nj.gov/treasury/purchase/njstart/video/NJSTART-Premiere.mp4





Technical Assistance Programs

NJ Small Business Development Centers www.njsbdc.com

- Assist in putting together the plan to pursue procurement opportunities
- Funded primarily by the Small Business Administration and the NJ Business Action Center
- Best place to go when thinking about procurement opportunities

Procurement Technical Assistance Center (PTAC)

- NJ Institute of Technology PTAC serves 20 counties in NJ <u>www.njit.edu/ptac/</u>
- Funded by the US Defense Logistic Agency
- Best resource when business is further along and ready to submit bids





Technical Assistance Programs

What do you need to successfully bid on a contract?

- Vendors must be properly registered with the State of New Jersey with a valid Business Registration Certificate
- Vendors must be Tax Compliant
- Need to demonstrate financial ability to fulfill obligations of the contract
- Vendors need to provide a Capability Statement showing experience and contracts of similar size and scope
- Patience it takes time to learn the procurement laws and regulations and how your company can participate
- Cost is minimal except for the dedication of a staff person to learning all your company needs to know to be a procurement expert





Technical Assistance Programs

Other important considerations

- The majority of small businesses or first-time vendors start as subcontractors for the contract holder or "Prime" on the contract
- A subcontractor can help a "Prime" satisfy their set-aside obligations
- The technical assistance programs are vital for ensuring a business is successful in this new market
- It can take up to a year from the development of a plan to submitting a bid
- NJBAC Contact for Procurement Questions
 - Donald Newman, Manager, NJBAC Office of Small Business Advocacy
 - Donald.newman@sos.nj.gov
 - 1-800-JERSEY-7





IMPORTANT WEBSITES & NJBAC HOTLINE

New Jersey Business Action Center https://www.nj.gov/state/bac/

Business Helpline: 1-800-JERSEY-7

Ask our Live Chat

https://business.nj.gov/

NJ Business Website

https://business.nj.gov

COVID-19 Business Website

https://business.nj.gov/covid

Melanie Willoughby, Executive Director

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Thank You



Business Helpline: 1-800-JERSEY-7



