



Reshoring Institute

NEW JERSEY

State Economic Survey and Incentive Comparison

CONTACT INFORMATION

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US State Name: New Jersey

State Abbreviation: NJ

State Economic Development Web Address:
www.choosenj.com

State Economic Development Email Address:
Same as above

State Economic Development Phone Number:
(609) 297-2200

Additional Relevant Links for Relocating
Companies:

www.choosenj.com

www.njeda.com

www.njmep.org

INCOME AND OUTPUT

This section highlights your state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

Gross Domestic Product, in millions: \$806,890

Gross Domestic Product % Growth: 3.3% (from the previous quarter)

Per Capita Personal Income (**GDP/Population*) *This is often used as a standard of living measurement:*
\$89,703

Per Capita Personal Income % Change: 4.0%

WORKFORCE

This section gives manufacturers an idea of the industry's environment in the state, including the makeup of the available workforce, the labor requirements, and recent trends.

Total Population: 9,234,024

Total Civilian Labor Force: 4,893,875

Total Number of Persons Employed: 4,480,504

Total Number of Persons Unemployed: 231,000

Unemployment Rate %: 4.8%

Manufacturing Employment: 283,468

Professional and Business Services Employment: 814,330

State Right-to-Work Law Y/N: N

Large Factory Openings during Previous year:

- Campbell Soup – 330 New Jobs, Food & Beverage Manufacturing
- Cellares – 350 New Jobs, Life Sciences
- Enzene – 50 New Jobs and 300 Overtime, Life Sciences
- Merck – 6000 Jobs (Relocation), Life Sciences

Large Factory Closures during Previous year:

- Aerofarms – 82 jobs affected, Food Manufacturing
- Thermo Fisher – 113 jobs affected, Life Sciences
- Nestle – 227 jobs affected, Food & Beverage Manufacturing

EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

% High School Diploma or More: 92%

% Bachelor's Degree or Higher: 44.3%; 2nd highest in the United States

Enrollment in Higher Education Institutions:

- As of Fall 2022:
 - 408,038 Undergraduates
 - 79,980 Graduates

Science and Engineering Graduate Students:

- Degrees awarded in 2022:
 - 18,820 Associate and Bachelor
 - 5,735 Post-Graduate degrees

List of High school, College, or University Manufacturing Partnership Programs *These are partnerships with manufacturers to help train future employees in certain skills:*

- Rutgers University, Department of Industrial and Systems Engineering - <https://ise.rutgers.edu/>
- Princeton University, Princeton Material Institute - <https://materials.princeton.edu/>
- Stevens Institute of Technology, Design Manufacturing Institute - <https://www.stevens.edu/design-and-manufacturing-institute>

- County College of Morris Engineering & Manufacturing - <https://www.ccm.edu/pathways/engineering-advanced-manufacturing/>
- NJ Institute of Technology Center for Manufacturing Systems - <https://centers.njit.edu/cms/index.php>
- NJ Council of County Colleges - <https://www.njcommunitycolleges.org/>
- NJ Council of County Vocational-Technical Schools - <https://careertechnj.org/>

List of Additional Manufacturing Training Programs:

- NJ Manufacturing Extension Program - <https://www.njmep.org/>

List of Future Planned Manufacturing Training Programs *If known please include expected implementation date:*

COST OF DOING BUSINESS

This section highlights the costs associated with doing business in your state including taxes, wages, insurance, and energy expenses.

State Corporate Income Tax %:

- Over \$100,000 – 9%
- Between \$50,000 and \$99,999 – 7.5%
- \$49,999 and less – 6.5%

State Individual Income Tax %:

- Graduated rates – 1.4% to 10.75% (for incomes over \$1,000,000)

State Level Sales Tax %: 6.625%

State Use Tax: 6.625%

Unemployment Insurance Tax % (estimate): Rates for new employers to the state set at 3.4%; the rate currently ranges from 1.2% to 7%

Additional Relevant Taxes:

Workers' Compensation Employer Insurance Costs per \$100 of Payroll: On average employers pay 0.93 cents per \$100 of workers payroll.

Average Industrial Electric Rate: 12.40 cents/kWh

Average Price of Natural Gas Delivered to Industrial Consumers: \$10.42 per thousand cubic feet

Average Hourly Earnings of Production Workers in Manufacturing: \$35.17/hour

Minimum Wage (current): \$15.13/hour

Pending Legislation Regarding Minimum Wage: Not currently

If you answered YES to the above question, What is the proposed minimum wage?:

If you answered YES to the above question, What is the legislative bill number?:

ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of the state in terms of business innovation through awards, venture capital, and intellectual property attainment.

Total Small Business Innovation Research (SBIR) Awards *Found at:* https://www.sbir.gov/reports/state-summary?year=2016&program_tid=105791:

New Jersey

- Number of Phase I: 59
- Phase I Obligation: \$8,319,820.54
- Number of Phase II: 38
- Phase II Obligation: \$39,343,438.18
- Total Awards: 97
- Total Obligation: \$47,663,258.72

Total Small Business Technology Transfer (STTR) Awards *Found at:* https://www.sbir.gov/reports/state-summary?year=2016&program_tid=105792:

New Jersey

- Number of Phase I: 9
- Phase I Obligation: \$1,794,945.60
- Number of Phase II: 8
- Phase II Obligation: \$8,102,888
- Total Awards: 17
- Total Obligation: \$9,897,833.60

Venture Capital Deals, in millions:

- Since 2018: Over \$10B
- 2022: \$2.5B
- 2023: \$685.2M

% of State with Internet Accessibility:

- According to Broadband Now, New Jersey is ranked 4th for internet coverage, speed, and availability.
- 98.8% of New Jersey residents have access to wired or fixed wireless broadband.
 - <https://broadbandnow.com/New-Jersey>

Newly Registered Businesses: 35,128 (2022)

Newly Registered Patents: 4,446

FOREIGN DIRECT INVESTMENT

This section provides insight into the amount of current investment overseas and the potential state market for manufacturers to reshore.

Information on expansion and relocations in NJ can be found at our website below, some of which include foreign direct investment.

<https://www.choosenj.com/stats-and-facts/major-expansions-relocations>

- Kyowa Kirin
 - FDI from Japan
 - Life Sciences
 - 500 new jobs
 - News: <https://www.kkna.kyowakirin.com/media-center/kyowa-kirin-designs-new-north-american-headquarters-to-accelerate-innovation-collaboration-culture/>

- Wipro
 - FDI from India
 - Technology
 - 1000 new jobs
 - News: <https://www.wipro.com/newsroom/press-releases/2023/wipro-announces-its-americas-headquarters-in-new-jersey/>

- Zankhos
 - FDI from Norway
 - Clean Energy
 - 200 new jobs
 - News: <https://www.nj.com/somerset/index.ssf/2015/10/nestle.html>

- Enzene Bio Sciences
 - FDI from India
 - Life Sciences
 - 300 new jobs
 - News: <https://www.choosenj.com/news/enzene-expanding-to-new-jersey/>

Foreign Direct Employment: 63,130 in the last 20 years.

Foreign Direct Investment, in Billions:

- \$20.9 Billion in last 20 years.

TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of the state and what a company can expect in terms of the logistics of shipping their product.

Number of major 2 or 4-Lane Highways running through state: Approximately 30

Number of major railways going through state: 14 commuter, numerous freight lines

Number of major ports connected to state: 2

Number of airports throughout state: 41 public airports

Number of International airports throughout state: Newark Liberty International Airport (EWR), and Atlantic City International Airport. Additionally, there is John F. Kennedy Airport and Philadelphia International Airport that is used by New Jersey residents.

Number of distribution centers:

- Over 800 distribution centers in New Jersey
- Over 250 which are over 100,000 sq. ft.

Number of foreign trade zones: 5

INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

Pending Legislation

Proposed Incentives Currently Pending Approval (Y/N): Proposed programs, but no pending legislation.

If you answered YES above, please describe the pending incentives including the bill number if applicable:

Cash Incentives

Does the state provide any CASH incentives? (Y/N): Y

If you answered YES above, please provide details of this incentive including the contact information and website if applicable:

1. NJ Manufacturing Voucher Program
For more information: <https://www.njeda.gov/njmvp/>

State Tax Credits

Does the state provide any Tax Credit incentives? (Y/N): Y

If you answered YES above, please describe the available tax credits:

1. Emerge Program
2. New Job Investment Tax Credit
3. The New Jersey Angel Investor Tax Credit Program
4. Aspire
5. The New Jersey Offshore Wind Tax Credit
6. Net Operating Loss (NOL) Program
For more information: <https://www.njeda.gov/financing-and-incentives/>

State Tax Exemptions

Does the state provide any Tax Exemptions? (Y/N): Y

If you answered YES above, please describe the available tax exemptions:

State Grants

Does the state provide any Grant incentives? (Y/N): Y

If you answered YES above, please describe the available grants:

1. The Catalyst R&D Voucher Program
2. The Catalyst Seed R&D Grant Program
3. Clean Tech R&D Voucher Program
4. The Maternal and Infant R&D Grant Program

Please see the following websites: <https://www.njeda.gov/financing-and-incentives/>
<https://www.njeda.gov/csit/>

State Loans

Does the state provide any Low-Interest Financing incentives? (Y/N): Y

If you answered YES above, please describe the available financing opportunities:

Please see the following: <https://www.njeda.gov/financing-and-incentives/>

Training Programs

Does the state provide any Specialized Training Program incentives? (Y/N): Y

If you answered YES above, please describe the available training programs:

Please see the following: <https://www.nj.gov/labor/career-services/education-training/training/>

Zoning

Does the state provide any Special Zoning incentives? (Y/N): N – not administered by the State of New Jersey.

If you answered YES above, please describe the available special zoning opportunities:

State Marketing and Promotions

Does the state provide any Marketing and Promotional incentives? (Y/N): Y

If you answered YES above, please describe the available special marketing or promotional opportunities:

Innovation Centers

Does the state have Innovation Centers or Additional Resource available for companies? (Y/N): Y

If you answered YES above, please describe the available innovation centers or additional resources:

Several universities in New Jersey have research institutes, innovation centers, and other resources available to manufacturers. Information on these can be provided upon request.

REGIONAL INFORMATION

Many states have "regions" that specialize in certain industries such as automotive in Detroit or high tech in Silicon Valley. This section is to help you highlight these regions. If the state doesn't have any special regions please skip this page.

Please note that a "region" could be an area, county, city etc...

Region One

Name of Region (This can include nicknames such as Silicon Valley): Einstein Alley

Does this region have a designated web site? (Y/N): N

If you answered YES to the question above, what is the website:

Geographic Location Information (For example, Silicon Valley spans several major cities including San Jose, Cupertino and Palo Alto): New Jersey

What industry or industries are prominent in this region?

- Life Sciences
- Manufacturing
- Technology

What are some unique aspects of this region? *Could include information about transportation, education, weather etc...:*

- New Jersey Strategic Location:
 - #1 Busiest port on the East Coast
 - Highest railroad density in the United States
 - 46.3M consumers within a 4-hour drive from Port of New York/New Jersey
 - 796 Nonstop International flights to 121 cities and 2183 Nonstop Domestic flights to 112 cities from the regional airport system
- Education:
 - #1 University in United States, Princeton University
 - #2 Public University in the United States, New Jersey Institute of Technology
 - #2 Most Educated State
 - #3 Concentration of STEM Awards in the United States.
- Labor Force:
 - 44.3% have bachelor's degrees or more; Second highest in the country
 - #2 Largest pool of food scientists and technologists
 - #1 Concentration of Scientists and Engineers
 - #3 Employed Biochemists and Biophysicists

Are there any special programs or incentives for companies wanting to move to this region? (Y/N): Y

If you answer YES to the question above, please list the programs or incentives for this region if not already mentioned in the Incentives section:

Does this region offer site selection assistance? (Y/N) *Please describe programs and resources:* Y

If you answer YES to the question above, please list the contact information for the site selection assistance:

See general contact information for Rena Sherman at Choose New Jersey

Is there any extraordinary information that you would like to add about this region?

Ranked by CNBC as the 2023 most improved state for business, the investment environment in New Jersey is characterized by a diverse economy, strategic location, skilled workforce, and robust infrastructure. With proximity to major markets like New York City and Philadelphia, as well as access to transportation networks, including ports, airports, and highways, New Jersey offers ample opportunities for businesses across various sectors. The state provides incentives and support for economic development, innovation, and workforce training, making it an attractive destination for both domestic and international investors. Additionally, New Jersey's thriving industries, such as life sciences, technology, financial services, clean energy, food and beverage, film, and logistics, contribute to a dynamic and competitive investment landscape.

Region Two

Name of Region (This can include nicknames such as Silicon Valley):

Does this region have a designated web site? (Y/N):

If you answered YES to the question above, what is the website:

Geographic Location Information (For example, Silicon Valley spans several major cities including San Jose, Cupertino and Palo Alto):

What industry or industries are prominent in this region?

- Aerospace
- Apparel
- Appliances
- Automotive
- Biomedical
- Building Materials and Equipment
- Computer and Electronic Products
- Distribution Centers
- Food or Beverage
- Furniture
- Machinery and Capital Equipment
- Paper
- Plastics
- Telecom
- Toys or Children's Products
- Warehousing
- Other

What are some unique aspects of this region? *Could include information about transportation, education, weather etc...:*

Are there any special programs or incentives for companies wanting to move to this region? (Y/N):

If you answer YES to the question above, please list the programs or incentives for this region if not already mentioned in the Incentives section:

Does this region offer site selection assistance? (Y/N) *Please describe programs and resources:*

If you answer YES to the question above, please list the contact information for the site selection assistance:

Is there any extraordinary information that you would like to add about this region?

Region Three

Name of Region (This can include nicknames such as Silicon Valley):

Does this region have a designated web site? (Y/N):

If you answered YES to the question above, what is the website:

Geographic Location Information (For example, Silicon Valley spans several major cities including San Jose, Cupertino and Palo Alto):

What industry or industries are prominent in this region?

- Aerospace
- Apparel
- Appliances
- Automotive
- Biomedical
- Building Materials and Equipment
- Computer and Electronic Products
- Distribution Centers
- Food or Beverage
- Furniture
- Machinery and Capital Equipment
- Paper
- Plastics
- Telecom
- Toys or Children's Products
- Warehousing
- Other

What are some unique aspects of this region? *Could include information about transportation, education, weather etc...:*

Are there any special programs or incentives for companies wanting to move to this region? (Y/N):

If you answer YES to the question above, please list the programs or incentives for this region if not already mentioned in the Incentives section:

Does this region offer site selection assistance? (Y/N) *Please describe programs and resources:*

If you answer YES to the question above, please list the contact information for the site selection assistance:

Is there any extraordinary information that you would like to add about this region?

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees "Truth in Advertising" regulations including promotion or disclosure of products displaying "Made in USA" labeling. FTC requires products advertised as "Made in USA" be "all or virtually all" made in the U.S. "all or virtually all" means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Does the state have any specific requirements for labeling products "Made in USA"? (Y/N): N

If you answered YES to the question above, what are the requirements for labeling products "Made in USA":

Is there pending legislation regarding these requirements? (Y/N): N

If you answered YES to the question above, please describe the proposed legislation including the bill number:

Made In YOUR STATE Requirements

Does your state have any specific requirements for labeling products "Made in YOUR STATE"? (Y/N): N

If you answered YES to the question above, what are the requirements for labeling products "Made in YOUR STATE":

Is there pending legislation regarding these requirements? (Y/N): N

If you answered YES to the question above, please describe the proposed legislation including the bill number:

Is there an organization or entity that monitors state labeling? (Y/N): N

If you answered YES to the question above, please provide the name and contact information for the organization or entity:

Date of Submission: 4/19/24

Thank you for your time. Please email your responses to alevy@reshoringinstitute.org and your responses will be recorded and available online for review at www.reshoringinstitute.org.