



TRENTON WATCH

JUNE 24, 2016

Tracking Legislation and Other Items Important to the Business Community:

ECONOMIC DEVELOPMENT

Senate Budget and Appropriations Committee and Assembly Budget Committee



Revises BEIP Tax Credit Schedule - [S-2376](#) (Sarlo/D-36)/[A-4002](#) (Schaer/D-36):

Senate committee passed. Assembly committee passed. Delays the payments schedule for businesses that were awarded grants under the Business Employment Incentive Program (BEIP). This bill revises the priority schedule to issue converted tax credits to the oldest, outstanding grant awards that have been accrued but not paid to businesses. In the first year, businesses will receive a tax credit that totals 5 percent of the amount of the grant. In the second year, the tax credit will be 20 percent of the grant, and the subsequent three years would be 25 percent each, totaling a hundred percent of the grant accrued but not paid over 5 years. While the State Chamber recognizes the current fiscal challenges of our state, implementing a delayed BEIP payment schedule will harm the state's ability to encourage companies to relocate and expand in New Jersey. **Contact:** [Michael Egenton](#) and [Lauren Lalicon](#)

Senate Budget and Appropriations Committee S-2376 Vote: Sarlo, Paul A. (C) - Yes; Stack, Brian P. (VC) - Yes; Beach, James - Yes; Beck, Jennifer - No; Bucco, Anthony R. - Yes; Cunningham, Sandra B. - Yes; O'Toole, Kevin J. - No; Oroho, Steven V. - Yes; Pou, Nellie - Yes; Ruiz, M. Teresa - Yes; Sweeney, Stephen M. - Yes; Thompson, Samuel D. - Yes; Van Drew, Jeff - Yes

Assembly Budget Committee A-4002 Vote: Schaer, Gary S. (C) - Yes; Burzichelli, John J. (VC) - Yes; Bucco, Anthony M. - Yes; DiMaio, John - Yes; Johnson, Gordon M. - Yes; McKeon, John F. - Yes; Mukherji, Raj - Yes; Muoio, Elizabeth Maher - Yes; O'Scanlon, Declan J., Jr. - Yes; Pintor Marin, Eliana - Yes; Rodriguez-Gregg, Maria - Yes; Singleton, Troy - Yes; Wimberly, Benjie E. - Yes

Senate Budget and Appropriations Committee



Extends Permits for Superstorm Sandy-impacted Counties - [S-2390](#) (Sarlo/D-36; Kyrillos/R-13)/[A-3617](#) (Green/D-22; Ribble/R-30; Mukherji/D-33): Senate committee passed. Extends expiration date of certain permits for one year in Superstorm Sandy-impacted counties. Gaining a permit extension is difficult and costly, resulting in once-approved permits to expire or lapse. This causes lenders to re-appraise and subsequently lower real estate valuations, thereby requiring the reclassification of numerous loans, which affect the developer's ability to apply for future loans. Under this bill, nine counties in New Jersey would have their permits extended to December 31, 2016. **Contact:** [Michael Egenton](#)

Senate Budget and Appropriations Committee S-2390 Vote: Sarlo, Paul A. (C) - Yes; Stack, Brian P. (VC) - Yes; Beach, James - Yes; Beck, Jennifer - Yes; Bucco, Anthony R. - Yes; Cunningham, Sandra B. - Yes; O'Toole, Kevin J. - Yes; Oroho, Steven V. - Yes; Pou, Nellie - Yes; Ruiz, M. Teresa - Yes; Sweeney, Stephen M. - Yes; Thompson, Samuel D. - Yes; Van Drew, Jeff - Yes

LABOR



Raises Minimum Wage to \$15 - [A-15](#) (Prieto/D-32; Wisniewski/D-19; Schaer/D-36; Tucker/D-28; Oliver/D-34; Wimberly/D-35; Sweeney/D-3; Vitale/D-19; Cunningham/D-3): Senate passed 21-18, sent to Governor. Raises the hourly minimum wage rate to \$10.10, makes further increases over a four-year period to \$15 per hour and maintains annual increases based on the CPI. If the federal minimum wage exceeds the state minimum wage, the state will adopt the federal minimum wage and increases will be based on increases in the CPI. This increase in the minimum wage will put an onerous burden on business owners and significantly increase the cost of doing business in New Jersey. Businesses will make modifications by reducing hours, scaling back benefits, automating services, terminating current employees or closing their operations. **Contact:** [Michael Egenton](#)

TAXATION

Senate Budget and Appropriations Committee and Assembly Budget Committee



Adjusts Certain State Taxes - [S-2411](#) (Sarlo/D-36; Oroho/R-24)/[A-11](#) (Prieto/D-32; McKeon/D-27; Schaer/D-36; Sumter/D-35; Caputo/D-28; Huttie/D-37): Senate committee passed. Assembly committee passed. Adjusts certain state taxes to support investments in public, private, and charitable assets in New Jersey. This bill would phase out the estate tax, increase the pension and retirement income exclusions, increase the Earned Income Tax Credit, and allow a New Jersey gross income tax deduction for cash charitable contributions. The State Chamber believes these tax reforms are the best solution for tax fairness and give citizens and businesses the incentives to stay in New Jersey and grow our economy. **Contact:** [Michael Egenton](#)

Senate Budget and Appropriations Committee S-2411 Vote: Sarlo, Paul A. (C) - Yes; Stack, Brian P. (VC) - Yes; Beach, James - Yes; Beck, Jennifer - No; Bucco, Anthony R. - No; Cunningham, Sandra B. - Yes; O'Toole, Kevin J. - Abstain; Oroho, Steven V. - Yes; Pou, Nellie - Yes; Ruiz, M. Teresa - Yes; Sweeney, Stephen M. - Yes; Thompson, Samuel D. - No; Van Drew,

Jeff - No

Assembly Budget Committee A-11 Vote: Schaer, Gary S. (C) - Yes; Burzichelli, John J. (VC) - Yes; Bucco, Anthony M. - No; DiMaio, John - No; Johnson, Gordon M. - Yes; McKeon, John F. - Yes; Mukherji, Raj - Yes; Muoio, Elizabeth Maher - Yes; O'Scanlon, Declan J., Jr. - Abstain; Pintor Marin, Eliana - Yes; Rodriguez-Gregg, Maria - Yes; Singleton, Troy - Yes; Wimberly, Benjie E. - Yes

TRANSPORTATION

Senate Budget and Appropriations Committee and Assembly Budget Committee



Transportation Trust Fund - [S-2412](#) (Sarlo/D-36; Oroho/R-24)/[A-10](#) (Prieto/D-32; Huttie/D-37; McKeon/D-27; Schaer/D-36; Sumter/D-35; Caputo/D-28; Mukherji/D-33; Singleton/D-7; Pintor Marin/D-29): Senate committee passed. Assembly committee passed. All revenue generated by the petroleum tax and the motor fuels tax will be dedicated to financing the Transportation Trust Fund (TTF). The TTF Authority is granted \$15 billion in bonding authorization and \$20 billion in state budget funds over ten years towards maintaining and upgrading the state's transportation infrastructure. The bill also enhances transparency through several measures, including the creation of a TTF project website; the establishment of a Transportation Policy Review Board to analyze policies and costs; and the establishment of an Annual Transportation Capital Program Approval Committee to coordinate transportation projects. Infrastructure is the foundation of New Jersey's economy and this long-term and sustainable solution will be an enormous boost to making our state more competitive, and helping to create and retain jobs. **Contact:** [Michael Egenton](#)

Senate Budget and Appropriations Committee S-2412 Vote: Sarlo, Paul A. (C) - Yes; Stack, Brian P. (VC) - Yes; Beach, James - Yes; Beck, Jennifer - No; Bucco, Anthony R. - No; Cunningham, Sandra B. - Yes; O'Toole, Kevin J. - Abstain; Oroho, Steven V. - Yes; Pou, Nellie - Yes; Ruiz, M. Teresa - Yes; Sweeney, Stephen M. - Yes; Thompson, Samuel D. - No; Van Drew, Jeff - No

Assembly Budget Committee A-10 Vote: Schaer, Gary S. (C) - Yes; Burzichelli, John J. (VC) - Yes; Bucco, Anthony M. - No; DiMaio, John - No; Johnson, Gordon M. - Yes; McKeon, John F. - Yes; Mukherji, Raj - Yes; Muoio, Elizabeth Maher - Yes; O'Scanlon, Declan J., Jr. - Abstain; Pintor Marin, Eliana - Yes; Rodriguez-Gregg, Maria - Yes; Singleton, Troy - Yes; Wimberly, Benjie E. - Yes

Thumbs up and down indicates the chamber's support or opposition to issues. Call the State Chamber Government Relations Department at (609) 989-7888 with questions or comments.
