

Legislative Summary

Update! S2126-Senator Jim Whelan (D-2)

This bill would require the Pinelands Commission to adopt rules and regulations providing for the approval of the development of a solar energy facility or structure in the pinelands area on the site of a landfill or closed resource extraction operation, provided that the development is consistent with the pinelands comprehensive management plan. ***The bill passed both the Senate and Assembly and was sent to the Governor. The Governor conditionally vetoed the measure and recommitted it to the Senate. On April 28, the Senate voted to concur with the Governor's recommendations. The Assembly received the measure where it awaits final action.***

From the Governor's Desk

Update! A2849-Asm. John Burzichelli (D-3)

This bill requires the Board of Public Utilities ("board") to issue every order in written form. However, if a matter is an emergency that affects public health and safety, the bill allows the board to issue a temporary order on the matter orally, but requires the board within 14 days thereafter to issue the order as a written order that does not differ substantively from the oral order. Any board order issued orally may be made effective immediately, but, regardless of its effective date, if that order is not issued in written form within 14 calendar days thereafter, or the written order is substantively different from the oral order, the oral order shall be void and of no effect as of the 15th calendar day after its issuance.

The bill clarifies that the board issues written orders by filing a copy with the board secretary. Finally, the bill requires all written board orders to be posted on the board's Internet website. ***The bill has passed both the Senate and Assembly and was sent to the Governor. On May 6, the Governor signed the measure into law-P.L.2011, c.63.***

Update! S2753-Senator Jim Whelan (D-2)

This bill will phase in a single sales factor allocation formula for New Jersey businesses over three years. New Jersey currently determines the portion of a company's income that is subject to state Corporate Business Tax by considering the company's property, payroll and sales in New Jersey. The presence of property and payroll as factors discourages capital investment and job creation in New Jersey. The new law will eliminate property and payroll as factors, and base the Corporate Business tax solely on sales. ***The bill has passed both the Senate and Assembly and was sent to the Governor. On April 28, the Governor signed the measure into law-P.L.2011, c.53.***



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3,700 SQUARE MILES OF OPPORTUNITY

President, Marlene Z. Asselta
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Update! S2753-Senator Buono (D-18)

This measure will give small businesses whose business owners pay their taxes through personal income tax (S-Corp, LLC's, LLP's, sole proprietorships or partnerships) the same benefits as taxpayers who pay the Corporate Business Tax. This will allow these businesses to carry forward net operating losses for 20 years. This carry forward provision is phased in over a five-year period. The bill also phases in a change, which allows businesses to offset gains and losses from one category of income to another. **The bill has passed both the Senate and Assembly and was sent to the Governor. On April 28, the Governor signed the measure into law-P.L.2011, c.60 area of New Jersey.**

In the News

Effort to Avert Unemployment Insurance Tax Hike Advances

Legislation that would cut the unemployment insurance (UI) tax rate that will be imposed on employers during fiscal year 2012 and 2013 recently cleared the Assembly and Senate Labor Committees. The reduction will save employers \$652.9 million total and an average of \$208 per employee over the two-year period.

Under state law, if the UI fund does not have enough money to pay benefits, payroll taxes on employers increase automatically. The fund has been operating at a deficit since last March, forcing it to borrow \$1.75 billion from the federal government. If the Legislature does not act, New Jersey employers would be hit with a payroll tax on July 1, 2011, costing an average of \$300 per employee

A-3819 Egan (D-17) and S-2730 Madden (D-4) would provide a graduated phase-in of the increase in UI tax rates in fiscal year 2012 and 2013. These bills would make the July 1 increase, which would average roughly \$130 per employee, more palatable.

The legislation would also raise the UI fund reserve ratios to allow the fund to accumulate a large enough balance so that future recessions will not trigger large, automatic increases.

The new reserves would still permit the fund to reduce UI taxes on employers as reserves accumulate, but they would also be less subject to fluctuation. The new reserve ratio triggers would have no effect on tax rates until the UI fund has a positive balance.