

News from the Legislature

Democrats Tap Singleton to Replace Jack Connors in the 7th Legislative District

A Joint county committee of South Jersey Democrats Monday night attained the quorum necessary to secure 7th District Assembly candidate Troy Singleton as the replacement for former Assemblyman Jack Connors (D-7).

Longtime Chairman of the Assembly Military and Veterans Affairs Committee, Connors was recently appointed the director of veterans affairs for Camden County. With the appointment, Connors relinquished his Assembly seat thereby clearing the way for the appointment of Singleton to fill the remainder of Connor's term.

Sweeney Announces New Package of Bills to Create Jobs/Economic Growth

Senate President Steve Sweeney recently announced that the Senate will spend the next several months seeking to implement a series of economic measures that will help jumpstart the state's sagging economy. Recently released figures show unemployment in New Jersey to be at 9.5%, still above the national average.

The package will include existing legislation, previously discussed ideas and newly developed concepts that incorporate outside-the-box thinking. Some currently existing bills seek to: S3033, establish the Grow New Jersey Assistance Program which provides tax credits in certain businesses; S2005, provide sales and use tax exemptions for wind energy equipment; S1949, provide an energy tax exemption for manufactures; and S1015 allow corporate business tax and gross income deductions for the amount of net interest received on loans to certain qualified UEZ businesses.

The Senator looks forward to working with colleagues across the aisle and the governor in order to get New Jersey's economy moving again. Many of the existing measures included have bipartisan support.

The Senate President hopes to begin moving on the legislation package in the coming weeks, with further details to emerge as bills and ideas are developed.

News from the Governor's Desk

Measure to Cut Red Tape for Small Businesses is Now Law



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**Legislative
Dispatch**

3,700 SQUARE MILES OF OPPORTUNITY

President, Marlene Z. Asselta
Chairman, Jeff DuBois, (South Jersey Gas)

A measure to assist small businesses establish and flourish by cutting through the many layers of bureaucratic red tape when applying for financial assistance was recently signed into law by Governor Christie.

The measure will cut red-tape by requiring the Department of State to create a uniform application for businesses to determine the state financial assistance programs for which they might qualify. According to the U.S. Small Business Administration there were 27.5 million small businesses in the country in 2009.

Governor Rejects "Fracking" Ban, Opts for Study of Gas-Extraction Method

Governor Chris Christie recently rejected the first permanent ban on hydraulic fracturing - or "fracking" - at the state level, instead opting for a one-year moratorium that is angering the natural-gas industry and environmental groups alike.

The Governor issued a "conditional veto" of a bill that would have outlawed the drilling technique forever. The measure passed the state Assembly and Senate with overwhelming bipartisan support earlier this year, but Governor Christie said he will wait for the results of two federal studies before making a final decision and will continue to "evaluate the potential environmental impacts of this practice."

Fracking, the use of water, sand and chemicals to crack underground rock formations and allow gas to flow freely, is widely used in the Marcellus Shale region, which stretches from upstate New York as far south as Kentucky and Tennessee. Critics think it is inherently dangerous and poses serious threats to water supplies. Proponents counter that it is entirely safe and does not affect underground wells or nearby bodies of water.

In enacting a temporary ban, the Garden State is following in the footsteps of New York, which imposed a similar moratorium last year. It was lifted earlier this summer by Gov. Andrew Cuomo.

Governor Christie said the moratorium is intended to give two federal agencies more time to complete studies on the safety of the process. The Department of Energy and the Environmental Protection Agency are each studying fracking, but the Energy Department's report won't be completed until November, while the EPA's is expected to be released sometime next year.

While no states have permanently barred the process, several cities have done so, including Buffalo and Pittsburgh. In June, France became first country to ban the practice.



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Some have questioned why New Jersey lawmakers put themselves in the middle of such a heated debate as the Marcellus Shale does not stretch into New Jersey.

While the Marcellus doesn't touch New Jersey, another formation, the Utica Shale, lies beneath a small section in the northwest corner of the state. Despite being even further underground than the Marcellus, some analysts think the Utica may hold even more gas. Chesapeake Energy, one of the major players in the business, is already drilling in the Utica in eastern Ohio.

According to the federal government, the U.S. consumed 24.64 trillion cubic feet of natural gas last year.

News from the Hill

Congress Considers Freedom to Invest Act of 2011

The measure H.R.1834, sponsored by Rep. Kevin Brady of Texas seeks to: 1) extend the election allowed to a U.S. corporation to deduct dividends received from a controlled foreign corporation to the corporation's last taxable years beginning before the enactment of this Act or the first taxable year beginning during the one-year period beginning upon enactment of this Act, and 2) reduce the amount of such tax deduction for corporations that fail to maintain specified employment levels for full-time employees.

The Development Council submitted a letter to the South Jersey Congressional delegation in support of H.R.1834. Congress enacted a similar measure back in 2004, which had an overwhelmingly positive impact with companies reinvesting over \$300 billion back into the American economy, creating jobs, financing new plants and developing new R&D projects. It also increased federal revenue, increased the GDP and contributed to lowering the unemployment rate.

The measure currently awaits action before the House Committee on Ways and Means.