New Jersey Legislative Update

FEBRUARY 2019

Issues Update:

In February Legislature and Governor Expand Paid Family Leave

On February 19th the Governor signed legislation expanding the 10 year old Paid Family Leave law in New Jersey. The changes expand the program significantly which takes a fee out of each employee’s pay to set aside for paid family leave. The changes include:

• Doubles the time allotted for an employee to be on leave from six weeks to twelve weeks.
• Increase the funds available to 85% of an employee’s weekly pay up to $860/week. The previous law allowed 66% of an employee’s salary up to $650.
• The Fund is still collected at .08% of an employee’s salary. However it only affected the first $34,400 of income equating to $27.52 per employee. The new law expands the fee to cover up to the first $131,000 of income.
• Allows employees to take Paid family leave to care for Grand Parents, Siblings, Grand Children and parent-in-laws. Previously the program only applied to Children, Parents, Spouses and Civil Unions.

New Jersey Rain Tax on Governor’s Desk

There has been a lot of press stories recently about the NJ Rain Tax bill. The bill, S-1073, has passed both houses and now sits on the Governor’s desk. The legislation does not directly impose any fees on property owners. However, it allows municipalities and counties to create their own local storm water utilities that could then charge property owners a fee based on “a fair and equitable approximation” of how much runoff is generated from their property. The storm water utility could then use the funds generated by the fees only on its system, such as reinforcing or replacing pipes or creating green infrastructure like rain gardens and tree planting to absorb water that would otherwise carry trash, bacteria and heavy metals into lakes and streams. The bill imposes a fee on properties designated by the local utility. It does not impose a wide-ranging tax on a community. However, the bill allows local government all the discretion over who would be charged.

Supporters say this new law would not target single-family homes but instead large commercial properties like strip malls, office parks or lumber yards, where large amounts of asphalt and concrete allow storm water to easily flow offsite, gather pollutants and discharge into a waterway. Additionally the fee would apply even if these facilities already had existing storm water controls in place.

The fiscal impact of the bill could not be determined by the Office of Legislative Services because it gives the local utility a great deal of discretion in determining fees with the state Department of Environmental Protection offering towns guidance on fees however the EPA estimated a complete upgrade on NJ storm water system would coast $15.6 billion.

Questions?
Please contact Kirk Ives, Director of Government Affairs at 518-880-6376 or kives@nrla.org.

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