

CAPITAL GAINS New Jersey

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This is a periodic newsletter on legislation, regulations and issues produced by Phillips Associates for the express use of members of the Pennsylvania Septage Management Association (PSMA) who are authorized to redistribute content providing proper credit is given to the PSMA. Questions or comments should go to PSMA leadership or to association headquarters at 717/763-7762 Editor Vince Phillips may be reached at 717/346-1063 and at xenobun@aol.com.

Dear Reader:

On behalf of the PSMA, we wish you a prosperous year and we invite your staff to engage in PSMA professional training in Reading, Pennsylvania, March 31-April 1.

Details: www.pdma.net.

Sincerely, **PSMA President Ned Lang**

NEW JERSEY SEES LEGISLATIVE INTRODUCTIONS

As the new session of the New Jersey legislative session gets underway, there are a number of bills on which to report.

- **ONLOT SEPTIC SYSTEMS INSPECTIONS**

S 569 requires Department of Environmental Protection (DEP) to establish a certification program for septic system inspectors within 180 days after passage of this legislation. It also states that 90 days after that, septic systems must only be inspected by certified persons. In addition, inspectors will report to DEP the locations of any inspections done. Status: Senate Environment & Energy Committee. Last session, the bill number was S 2294.

- **DEP RESTRICTIONS**

A 582 invalidates certain DEP regulations concerning septic system density requirements in Highland Water Protection and Planning Act rules. Status: Assembly Oversight, Reform and Federal Relations Committee. Specifically, DEP would be prohibited from requiring a deed restriction or from imposing any other conditions or requirements upon a property which qualifies for a Highlands Water Protection and planning Act exemption. The bill was referred to the Assembly Environment and Solid Waste Committee. Last session, the bill number was A 498.

- **AGRICULTURE**

A170 prohibits the “hindering or preventing the lawful practice of farming of agricultural products, harass, bother, or otherwise interfere with a farmer engaged in farming operations. This Right to Farm bill would have the effect of protecting farmers who apply properly-permitted biosolids. Under this legislation, the Secretary of Agriculture may institute a civil action in Superior Court. Penalties are \$250-\$500 and a thirty-day jail term for each offense. For a second or subsequent offense, jail time could go as high as six months and a \$1,000 fine. Farmers may also bring a civil suit for damages. Last session, the bill number was A 2128. A 170 was referred to the Assembly Agriculture Committee.

- **POTENTIAL SEPTIC SYSTEMS TAX DEDUCTION**

A 1452 requires DEP to evaluate extending sewer service in the Lake Hopatcong region. This lake is the largest lake in New Jersey and is located approximately 40 miles from New York City. One recent concern is the presence of algae blooms.

Specifically, the DEP study would determine if the sewer expansion in Lake Hopatcong and watershed would result in a significant improvement in water quality. If sewer expansion is found not to be feasible, the legislation gives taxpayers a deduction from gross income an amount equal to one-half of maintenance services costs for their septic system. One stipulation is that there must be documentation of repairs and maintenance as well as the requirement that the property must be a primary residence. In addition, A 1452 directs DEP to conduct a public education effort to notify individuals and municipalities of the availability of the tax deduction. The bill was referred to the Assembly Environment and Solid Waste Committee.

DELAWARE RIVER BASIN COMMISSION UPDATE

In 2018, New Jersey Governor Phil Murphy took a strong position to prohibit fracking in Pennsylvania per a proposed rule from the Delaware River Basin Commission (DRBC). Since, little has surfaced in New Jersey relative to the Commission. One bill, **A 1117**, does provide a supplemental appropriation of \$200,000 to help fund the Commission. This would bring New Jersey's contribution up to its obligation of \$893,000.

Background Note: DRBC is a five-state public entity whose mission is to keep the waters of the Delaware River and environs unsullied by pollution. The Commission has taken heat from some lawmakers in Pennsylvania who argue that the Delaware River Basin Commission is trying to ignore existing PA law which regulates development of natural gas. The Commission is pushing for a regulation that would ban fracking in the Delaware River Basin. New Jersey Governor Phil Murphy is a voting member of the Commission and has indicated that he supports such a prohibition on fracking.

SELECTED EMPLOYER BILLS BEFORE THE LEGISLATURE

As always, there are a multitude of bills which affect businesses and their owners. Here is a two bill sampler, <https://www.njleg.state.nj.us/bills/BillsByKeyword.asp>:

- **A 300** provides business with fewer than 25 employees tax credits and gross income tax credits up to \$12,000 per year for the difference between mandatory employer contributions for New Jersey Temporary Disability Insurance and Unemployment Insurance. Tax credits would expire December 31, 2029.
- **A 392** allows certain sole proprietors to join a small employer health benefits purchasing alliance.

EMPLOYEE CLASSIFICATION LAWS SIGNED BY GOVERNOR 1/20/20

On January 20, 2020, Governor Phil Murphy signed 153 bills into law, several of which have to do with employees versus independent contractors. **A 5839** increases penalties for misclassification of employees as independent contractors...**S 4226** permits the Department of Labor & Workforce Development to post information about employers that violate state wage, benefit, and tax laws...**S 4228** allows tax sharing between state agencies to identify employers that violate the employee misclassification law

