

NJ Chamber

# TRENTON WATCH

## LEGISLATIVE UPDATES

June 19, 2018

### FREE DOWNLOAD

**How the New Law Affects You**  
*Guide to the New Paid Sick Leave Law*

DOWNLOAD NOW

The NJ Chamber has created a comprehensive guide to help you understand your responsibilities and how the new law may affect your business.

## ECONOMIC DEVELOPMENT

Support

### Vineyard and Winery Loan Program

**A-1046** (Houghtaling/D-11; Andrzejczak/D-1; Mazzeo/D-2; Taliaferro/D-3)/**S-1057** (Van Drew/D-1; Gopal/D-11)

Assembly passed and sent to Governor 70-3-0. Requires the NJEDA, in consultation with the Department of Agriculture, to establish a loan program for certain vineyard and winery capital expenses. An eligible vineyard or winery can receive a loan of up to \$100,000 to pay for qualified capital expenses. The loans would have a rate of interest between 3 and 5 percent and would be repayable over a period of up to 10 years. If a vineyard or winery plans to acquire more property to expand its business, it may be eligible for a bigger loan with a lower interest rate.

Contact: **Laura Hahn**

Support

### Designates Small Business Month

**SJR-27** (Gopal/D-11; Corrado/R-40))

Senate passed 37-0. Designates May of each year as "Small Business Month" in New Jersey. The intent of this resolution is to recognize the importance of small businesses in the state and local economies, and how their success strengthens community identity and pride.

Contact: **Michael Egenton**

## EDUCATION

Support

**Study of Outmigration to Out-of-State Colleges**  
**S-518** (Kear/R-21; Cunningham/D-31)

Senate passed 38-0. Directs the Secretary of Higher Education to conduct a study to determine the extent and causes of outmigration by high school graduates to out-of-state colleges.

Contact: **Michael Egenton**

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## HEALTH

**Assembly Financial Institutions and Insurance Committee**

Neutral

**Prescription Drug Coverage**  
**A-2431** (Benson/D-14; Jimenez/D-32; DeCroce/R-26)

Assembly committee passed. This bill requires certain health insurers, under certain policies or contracts that provide coverage for prescription drugs, to place limitations on covered persons' cost sharing for prescription drugs. The bill's provisions apply to the following insurers and programs that provide coverage for prescription drugs under a policy or contract: health, hospital and medical service corporations; commercial individual and group health insurers; health maintenance organizations; health benefits plans issued pursuant to the New Jersey Individual Health Coverage and Small Employer Health Benefits Programs; the State Health Benefits Program (SHBP) and the School Employees' Health Benefits Program (SEHBP). The State Chamber has not taken an official position as some members are divided on the issue.

Contact: **Laura Hahn**

**Assembly Financial Institutions and Insurance Committee A-2431 Vote:** McKeon, John F. (C) – Yes; Lampitt, Pamela R. (V) – Yes; Auth, Robert – Abstain; Dancer, Ronald S. – Yes; Danielson, Joe – Yes; DeCroce, BettyLou – Yes; Downey, Joann – Yes; Freiman, Roy – Yes; Lopez, Yvonne – Yes; Murphy, Carol A. – Yes; Quijano, Annette – Yes; Schaer, Gary S. – Yes; Webber, Jay – Abstain

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## INSURANCE

Oppose

**New Jersey Insurance Fair Conduct Act**  
**S-2144** (Scutari/D-22; Gopal/D-11)

Senate passed 21-14. The bill establishes a private cause of action for first-party claimants regarding certain "unfair" practices by their insurer. Among other provisions of this bill, a claimant may file a civil action against their insurer for an unreasonable delay or denial of a claim for payment of benefits under a policy. The State Chamber believes that this bill could lead to increased insurance rates for NJ businesses and consumers, as high as 40 percent for bodily injury auto insurance rates, and 17 percent increased premiums on commercial policies.

Contact: [Michael Egenton](#)

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## LABOR

Oppose

**Employment Contracts**  
**[S-121](#)** (Weinberg/D-37; Gill/D-34)

Senate passed 34-1. This bill would bar provisions in employment contracts that waive certain rights or remedies. It would also prohibit certain agreements that conceal details relating to discrimination claims. The State Chamber is concerned that this bill would make it difficult to enforce existing employment contract provisions and that it could possibly contradict federal law.

Contact: [Michael Egenton](#)

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Support

**Establishes Talent Network Program**  
**[S-393](#)** (Madden/D-4; Singleton/D-7)/**[S-973](#)** (Singleton/D-7)

Senate passed 37-0. The Department of Labor and Workforce Development must award federal and state grants to nonprofits, industry associations and post-secondary educational institutions to build employer-driven partnerships that develop information about the workforce needs of the state's key industries.

Contact: [Michael Egenton](#)

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### Senate Labor Committee

Oppose

**Unemployment Compensation and Labor Disputes**  
**[S-1046](#)** (Vitale/D-19; Gopal/D-11)

Senate committee amended and passed. Concerns unemployment compensation and labor disputes. The bill would allow striking workers to collect benefits under several different scenarios. In situations where an employer refuses to comply with a collective bargaining agreement or a contract with the union, workers would be covered immediately. The bill was inspired by the Verizon strike, which was resolved in 2016. It is modeled after similar legislation in New York and Alaska. The State Chamber has concerns regarding the impact of this proposal on the solvency of the Unemployment Insurance Fund.

Contact: [Michael Egenton](#)

**Senate Labor Committee S-1046 Vote:** Madden, Fred H., Jr. (C) – Yes; Vitale, Joseph F. (V) – Yes; Addiego, Dawn Marie – No; Bucco, Anthony R. – Abstain; Cunningham, Sandra B. – Yes

#### Assembly Labor Committee

Oppose

**Unemployment Compensation and Labor Disputes**  
**A-3861** (Quijano/D-20; DeAngelo/D-14; Giblin/D-34)

Assembly committee amended and passed. Concerns unemployment compensation and labor disputes. The bill would allow striking workers to collect benefits under several different scenarios. In situations where an employer refuses to comply with a collective bargaining agreement or a contract with the union, workers would be covered immediately. The bill was inspired by the Verizon strike, which was resolved in 2016. It is modeled after similar legislation in New York and Alaska. The State Chamber has concerns regarding the impact of this proposal on the solvency of the Unemployment Insurance Fund.

**Contact:** Michael Egenton

**Assembly Labor Committee A-3861 Vote:** Egan, Joseph V. (C) – Yes; Vainieri Huttie, Valerie (V) – Yes; Auth, Robert – No; Gusciora, Reed – Yes; Moriarty, Paul D. – Yes; Space, Parker – No; Sumter, Shavonda E. – Yes; Swain, Lisa – Yes; Wirths, Harold J. – No

Oppose

**Paid Family Leave Expansion**  
**A-3975** (Quijano/D-20; Giblin/D-24; Downey/D-11)

Assembly committee passed. Revises law concerning family leave, temporary disability and family temporary disability leave, and domestic or sexual violence safety leave. The bill expands the maximum total benefits payable for periods of family temporary disability leave and periods of disability related to pregnancy and recovery from childbirth. The bill also increases the maximum length of time for which family leave benefits would be paid from six to 12 weeks during any 12-month period. Further, the bill expands the number of family members who are covered under the law, and includes retaliatory provisions. The State Chamber believes that expanding paid family leave would be challenging to small businesses that do not have the ability to provide workers with extended time off. Additionally, there is a concern that employers would eventually have to make up the difference in cost if this expansion applies pressure to the Temporary Disability Insurance and Family Leave Insurance funds.

**Contact:** Michael Egenton

**Assembly Labor Committee A-3975 Vote:** Egan, Joseph V. (C) – Yes; Vainieri Huttie, Valerie (V) – Yes; Auth, Robert – No; Gusciora, Reed – Yes; Moriarty, Paul D. – Yes; Space, Parker – No; Sumter, Shavonda E. – Yes; Swain, Lisa – Yes; Wirths, Harold J. – No

## REGULATION

Senate Commerce Committee

Oppose

**Pharmaceutical Representative Licensing Act**  
**S-2591** (Cryan/D-20)

Considered for discussion only. Requires the licensure of pharmaceutical representatives. Under the bill, licensing of representatives would be conducted by the State Board of Medical Examiners, which will also hold several powers regarding the regulation of pharmaceutical representatives. Among other requirements, the bill mandates that in order for representatives to receive a license, they must complete six hours of additional training and provide in-depth information on their contacts with practitioners at least once every two years.

Contact: **Laura Hahn**

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## STATE GOVERNMENT

### Senate Economic Growth Committee

Support

**Commission on Science, Innovation and Technology**  
**A-3652** (Zwicker/D-16; Coughlin/D-19; DePhillips/R-40)/**S-2329** (Sarlo/D-36; Singer/R-30)

Senate committee passed. Re-establishes the former NJ Commission on Science and Technology as the NJ Commission on Science, Innovation and Technology. In addition to the powers of the commission provided in statute, the bill requires the commission to appoint an Innovation Council from its membership which is to determine how to stimulate technology transfer between public and private research institutions of higher education and industry. The bill requires the commission to support and find funding sources for the fields of science, innovation and technology that offer potential for application or commercialization, or both, in New Jersey.

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