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# At Issue

## Business Confronts a Broad Legislative Agenda

So much for summer vacation. After spending the supposedly quiet months crafting a budget compromise and trying to solve the monumental problem of skyrocketing property taxes, legislators returned to Trenton to tackle a broader agenda that will no doubt impact the business community. Here's a look at some of the issues NJBIA will be closely following this fall.

### Health Insurance

The skyrocketing cost of health insurance remains the biggest problem facing NJBIA members. NJBIA has a comprehensive plan to make costs more manageable for employers and will be working hard this fall to get it enacted. Our plan would give employers more flexibility in designing their own plans and offer employers a "basic" health plan that is more affordable. NJBIA also supports requiring insurance companies to participate in both the individual and small group markets and creating a reinsurance program to cover catastrophic claims above a certain dollar amount.

Unfortunately, NJBIA will also be fighting against several measures that would make health insurance less affordable by imposing costly healthcare coverage mandates. At the top of this list is the mental health mandate, A-2512 (Gordon, Johnson)/S-807 (Vitale, Buono). If enacted, this bill would impose a massive healthcare mandate that would require insurance plans to provide unlimited coverage for treatment of alcoholism, drug addiction and hundreds of behavioral disorders.

We will also fight against legislation that would force some companies to pay more for their health benefits. At a time when health insurance costs are rising at three times the rate of inflation, some lawmakers believe companies are not spending enough. S-477 (Sweeney, Vitale) would require all

companies with 1,000 or more employees to spend \$3.30 per employee per hour (\$6,874 per year for a full-time employee working 40 hours per week) on health insurance or pay the difference between this figure and actual spending as a tax to the State. Needless to say, all businesses should view this bill suspiciously. Supporters of this measure have said they want to expand it to eventually include all companies.

### Property Taxes

NJBIA has worked hard to make legislators understand that skyrocketing property taxes are a business issue as well. We will work to ensure that property tax reform focuses on curtailing government spending, not shifting the burden to business taxes. Our top priority is to preserve the fairness clause of the State constitution, which requires that business and residential properties be taxed at the same rate. Getting rid of the fairness clause could force businesses to pay as much as 40 percent more in property taxes. NJBIA will vigorously oppose any effort to eliminate the fairness clause.

### Eminent Domain

One of the real bright spots for businesses on the legislative horizon is eminent domain reform, as proposed in A-3257 (Burzichelli). Before passing this bill, the Assembly adopted several NJBIA-backed amendments to increase the maximum financial assistance for business relocation and to compensate business owners for business "goodwill," the intrinsic value of a business beyond the buildings and real estate. The amendments also makes it harder to "take" a property by requiring more rigorous proof that a property is "detrimental to the health safety and welfare of the community" before a property can be condemned. Finally, a local government would have to support such a determination with "objective evidence of detriment." Under current law, no objective evidence is required.

All these issues have a big impact on the cost of doing business in New Jersey. Our job at NJBIA is to make sure the business community's voice is heard and respected. 