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October 22, 2018

To: Assembly Telecommunications and Utilities Committee

From: Sal Risalvato, Executive Director, NJ Gasoline, Convenience Store, Automotive Association

Re: OPPOSE A-2694/S-1073

Chairman DeAngelo, members of the Committee, on behalf of the New Jersey Gasoline, Convenience, Automotive Association (NJGCA) I ask that you oppose this bill as it is currently written. NJGCA represents nearly one thousand independent small businesses across this state.

As you all are well aware, the cost of doing business in this state is already exceedingly high, and this bill will simply increase them further. Motor fuel retailers in particular require a large amount of paved land in order to allow all of their customers' cars and trucks to navigate the various pumps, park their vehicles, and safely walk into the convenience store. Many of these locations were constructed with stormwater management in mind.

While the open-ended nature of this bill may allow local governments to charge little to nothing in fees, it may also lead to some local governments charging exorbitant rates, particularly on businesses within their jurisdiction. Since charging the fee on homeowners within a municipality means charging it to voters, there will be a clear incentive for local elected officials to focus on squeezing businesses where they can, especially since many business owners live in a different municipality than where their business is located.

Business owners, particularly those located on large paved plots of land, already pay obscenely high property taxes, this bill will lead to them now paying extra high stormwater fees.

The fact that different municipalities will have different (or no) fees will create competitive disadvantages, particularly in a state with 565 different municipal governments spread over a small geographic area. Stations competing directly with each other, particularly if located on a busy road or highway, may only be a mile or two away but in completely different municipalities and perhaps now with entirely different stormwater fees. In Maryland, which instituted utilities on a county level, fees for some business owners have been in the thousands of dollars per year.

While employers may be the ones who write the check to the local government for the fees they are assessed, ultimately that money will come from their customers paying higher prices, be it on a gallon of gas, a cup of coffee, or an oil change.

While any new fee would be harmful to small businesses across the state, if this bill were able to provide some level of certainty by mandating a cap on how much any location would have to pay in stormwater fees per year, it would greatly improve the proposal.

Doing business in New Jersey is already far too expensive, and this bill will only make it worse. I ask that you oppose it.

Thank you.

