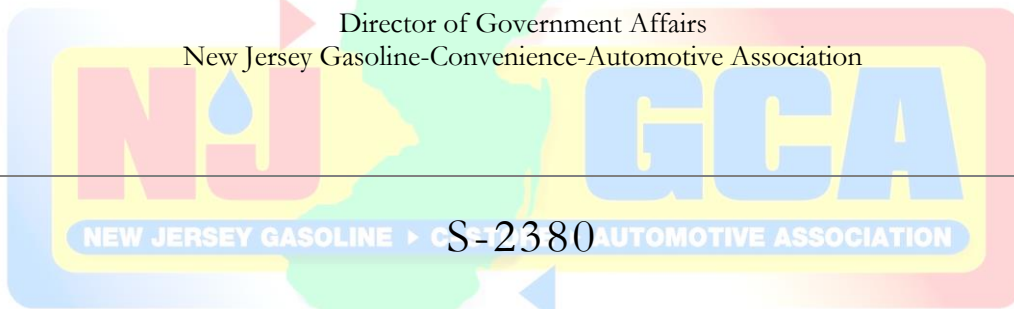


TESTIMONY

ERIC BLOMGREN

Director of Government Affairs

New Jersey Gasoline-Convenience-Automotive Association



Oppose, Unless Amended

May 12, 2020

Testimony of Eric Blomgren

Chairman Madden, members of the Committee, my name is Eric Blomgren, Director of Government Affairs for the New Jersey Gasoline, Convenience Store, Automotive Association (NJGCA), here representing nearly a thousand essential small businesses in this state, and it is on their behalf that we oppose this bill as introduced; but are seeking amendments which would allow us to withdraw our opposition. These amendments have been submitted by NJBIA as part of a larger coalition.

We are particularly concerned by the broad definition of “essential employee” used in the bill. Rather than extending the presumption to every single employee who showed up to work in any capacity, it should only apply to those employees who “reported to work and engaged in in-person, direct and substantial contact with the general public within the 14 days preceding the positive lab test or licensed physician diagnosis.” The three industries who belong to NJGCA—gas stations, auto repair shops, and convenience stores—have all been deemed essential by Executive Order 107, but not every employee at those businesses have the same risk of exposure since they are not all interacting with dozens or hundreds of strangers per day. Auto mechanics and store managers have little to no need to interact directly with members of the public, or even to spend much if any time in the areas of the business frequented by the public.

We also believe it is important to include explicit language that this legislation “shall not be used to establish liability in any other context”. There is already a growing threat that businesses of all sizes will soon be faced with a flood of frivolous lawsuits designed to shake down employers for quick settlements. It will not matter if these lawsuits can stand up in court, the point is often to force business owners to accept a settlement for a few thousand dollars rather than fight for their innocence in court and rack up even larger legal fees.

The question behind this bill is where the cost of coronavirus will be borne. The workers compensation system was not designed to handle the outcome of a widespread and persistent pandemic that is unlikely to abate for as long as two years. Using it for this purpose risks significant increases in the cost employers will pay and will do so at a time when employers are struggling to survive with the costs they already have.

Our members may have been able to be open these last two months, but they are still struggling to survive as their business has lost a huge portion of their revenue. When we surveyed our members two weeks ago, 74% of both gas stations and auto repair shops had experienced a decline of 65% or more in their sales, and 40% of all auto repair shops had seen a drop of 80% or more. Their sales will not pick up until more of their customers are back on the road, and only 31% thought they could continue operating at their current levels for more than 4 weeks. These small businesses are facing an existential crisis and cannot afford any increases in costs.

Ideally, this bill should not be necessary, and the State should support sick workers by using the federal aid money that has already been appropriated for this purpose, rather than relying on the worker's comp system. If this bill is to move forward, please support making the proposed changes we have referred to. Otherwise, we must ask that you vote NO on this bill.

Thank you.

