

## ECONOMIC DEVELOPMENT – Top Policy Issues

### Technology Infrastructure & Innovation

Technology is rapidly advancing and changing on a daily basis. New Jersey has a long historical legacy in telecommunications – in fact, over 130 years' worth. The wireless industry needs to foster an environment in which federal regulations and revamped policies aimed at encouraging broadband deployment will stimulate the economy both in New Jersey and at the national level.

NJ SEED supports market-based policies that are aimed at fostering innovation and encouraging additional investment. With the mushrooming number of devices, the need for spectrum has increased exponentially. The recent passage of major federal legislation addressed, at least partially, those issues of broadband spectrum scarcity. The legislation represents an acknowledgement that more spectrum for wireless services will only benefit consumers and the economy - creating more jobs in the United States and New Jersey.

NJ SEED endorses policies that will remove obstacles to economic growth and job creation including those that will enable a swift and smooth transition to IP-based networks for New Jerseyans and all Americans.

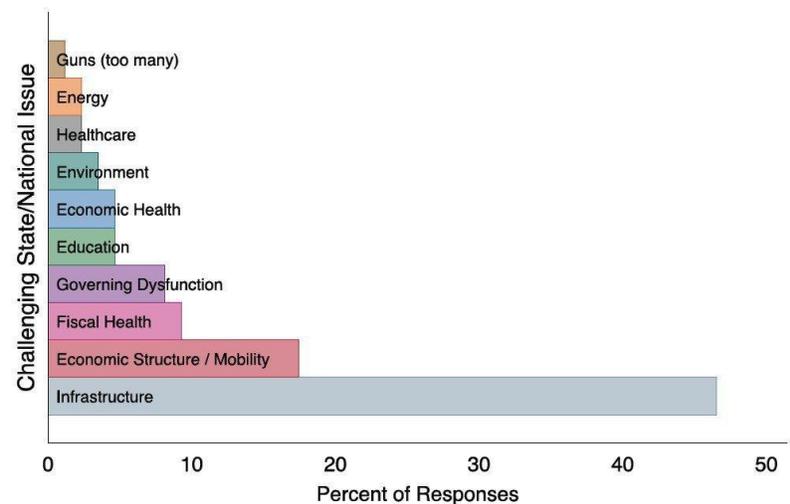
NJ SEED supports proposals that would promote broadband technology deployment and adoption. New Jersey's leaders will be key in identifying how broadband stimulus funds should be used to benefit the state's economy, residents and businesses.

NJ SEED supports the recently enacted New Jersey Cybersecurity and Communications Integration Cell (NJCCIC) within the Homeland Security and Preparedness sector. Together, these organizations can help ensure that New Jersey's cyber and digital security are met with 21<sup>st</sup> century solutions.

### Resiliency Investment

Aging infrastructures continue to fail New Jersey residents in times of disasters and have long lasting complications throughout the relief and recovery process. NJ SEED supports federal initiatives to aid New Jersey in updating old and deteriorating infrastructures. New Jersey has some of the oldest infrastructures in the county and since New Jersey is a coastal state, there is a continuing threat of rising sea levels. New Jersey would sincerely benefit from federal aid in order to secure resilient infrastructures from rising environmental threats. Rebuilding and updating New Jersey infrastructure is directly correlated with state economic development due to job creation and the limited waste of energy as it travels through these efficient infrastructures. NJ SEED strongly supports the Penn East Pipeline, the Susquehanna-Roseland Line and the Pilgrim Pipeline because these new pipelines will secure resiliency and create jobs for New Jersey.

Biggest Local Challenge From a State or National Issue



*NJ Alliance for Action 2015 Study*

NJ SEED urges the current Administration to consider fast-track permitting applications at the federal level that speed up key infrastructure projects in New Jersey, encourage future growth, and strengthen our economy.

### Brownfields Remediation Project

Brownfields remediation expensing allows for the expenses incurred in the cleanup of a brownfield site to be immediately expensed by a developer. Brownfields remediation expensing provides an important incentive to

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revitalizing contaminated properties across the country. As in leasehold improvements depreciation, the provision expired at the end of 2011 when the House and Senate failed to pass a tax extenders bill.

- There are an estimated 500,000 brownfield sites in the United States that need to be redeveloped.
- On average, \$1 of public investments in brownfields leverages \$8 in total investments.
- As much as \$2 trillion of real estate may be undervalued due to the presence of contamination.
- Congress should add a "carry forward" provision to allow the expensing deduction to be used in future years, when taxable income from many of these redevelopments is earned.
- Brownfields remediation expensing should be made a permanent feature of the tax code.

### Tax Reforms

New Jersey is one of the most heavily taxed state in the country. NJ SEED calls on Congress and the Legislature to ensure fair tax reforms to citizens and small business.

New Jersey is an outlier when it comes to the so-called "death taxes." For starters, New Jersey is one of only two states that has both an inheritance and estate tax (Maryland is the other), and it has the lowest exemption of any state that has an estate tax. On top of that, both New Jersey's inheritance and estate tax rates are among the highest in the nation.

Small businesses file taxes through personal income

taxes. As a result, passing down a family owned business can be devastating when factoring in state and federal death taxes. Increasing the threshold or repealing the estate and inheritance taxes can help remove barriers to businesses and keep them open. The death of a loved one is hard enough to bear, it should not be compounded with a tax bill when transferring assets. The current thresholds result in a reduced ability to invest and hampers growth of the business, or forces the sale of the business.

### Business and Job Growth Development

Identifying and hiring a skilled workforce is a priority for New Jersey employers who know that in order to attract and retain a skilled workforce they must provide good benefits and working conditions. If they don't, those employees will go elsewhere. NJ SEED opposes employer mandates which increase the cost of doing business while eroding confidence and halting investment and job creation. New Jersey businesses must have the freedom to tailor their benefits in a way that works most effectively for them.

State Estate and Inheritance Tax Rates and Exemptions in 2015

