

Utility & Transportation Contractors Association



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June 2010

LEGISLATIVE NEWS

UTCA Stops Harmful Soil Restoration Bill

The New Jersey General Assembly, otherwise occupied with the FY2010 State budget, posted for consideration a harmful soil restoration bill with the potential to have a dramatic effect on our industry. UTCA staff had already been in discussions with the Senate sponsor of the initiative, when the Assembly Environment and Solid Waste Committee scheduled the Assembly version of the bill for a May hearing.

The measure, being furthered by several environmental groups, would require anyone disturbing 5,000 square feet of soil to restore the soil to its original optimal conditions after the completion of a construction project. If passed, this measure would create another layer of bureaucratic red tape, and contractors would be responsible to meet these onerous requirements. After UTCA staff negotiated for several days with the sponsors, staff members, and Legislative Leadership, the bill was stripped of its harmful provisions as UTCA requested.

Assembly Committee Passes Bid Withdrawal Legislation

After running out of time in last year's lame-duck session of the Legislature, UTCA's bid withdrawal legislation, sponsored by Assemblyman Fred Scalera (D-36) and Senator John Girgenti (D-35), is once again on the move. UTCA staff, along with other industry representatives, provided supporting testimony for the bill in a June meeting of the Assembly Housing and Local Government Committee. The bid withdrawal legislation was voted favorably from the committee and will next be voted on by the General Assembly.

Currently, a contractor cannot withdraw a bid on a local public project, nor can a public owner grant a withdrawal. A-1592 will establish the necessary procedure and is based on a very successful New York statute. North Carolina and Virginia, among other states, have similar laws. Sometimes honest mistakes happen in the preparation of a bid. These mistakes can lead to project

delays, incomplete work, and even the bankruptcy of the contractor in the middle of a project. This bill will establish the guidelines that are needed to avoid such an outcome and will cut down on the litigation that is clogging our courts.

UTCA Staff and Board Members Visit Washington

UTCA representatives recently visited key members of the New Jersey Congressional Delegation as part of annual ARTBA D.C. Fly-In. Our group visited the offices of Congressmen Sires, Pallone, Pascrell, and LoBiondo. With regard to the federal transportation funding bill, the delegation indicated that while the House would like to move a full reauthorization now, both the Administration and the Senate leadership would prefer to wait until sometime after the election. Our Association will continue to advocate for an immediate and robust long-term reauthorization.

Also on our agenda was the recently introduced Kerry-Lieberman climate change bill. Of great concern is a provision that would use revenue from a federal motor fuel tax increase for non-transportation related items. UTCA will continue to update its members relative to these important issues as the summer progresses.



UTCA officers, directors and staff are pictured with Congressman Frank Pallone.

UTCA's Equitable Adjustment Bill Moves Forward

The Assembly State Government Committee recently took action on A-2839, sponsored by Assemblywoman Linda Stender (D-22). This UTCA-developed measure enacts into law the principles reflected in the opinion by the Supreme Court of New Jersey in the case of *M.J. Paquet, Inc. v. New Jersey Department of Transportation*, 171 N.J. 378 (2002), and provides for an equitable adjustment in contracts undertaken by the New Jersey Department of Transportation when appropriate.

The purpose of the bill is to safeguard the contractor in circumstances where the Department modifies a contract. To that end, the bill will allow contractors on Department projects to recover the difference between what it would have cost the contractor to perform the work as originally required, and what it cost the contractor to perform the work as changed. While this sounds like a common sense practice and a basic cornerstone of any fair dealing between two parties, the principle is not currently followed by the Department resulting in costly litigation. Until this principle is codified, the courts will continue to be clogged with these cases, wasting the resources of both contractors and taxpayers alike. The bill passed the committee in a bipartisan fashion and awaits consideration by the full General Assembly.

Majority Leader Cryan Introduces Motor Fuels Tax Bill

Last month, Assemblyman Joe Cryan (D-20) introduced A-2718 which increases the motor fuels tax eight cents per year for three years (total 24 cents) with later CPI adjustments and requires all motor fuels taxes to be credited to the Transportation Trust Fund. He also introduced companion legislation, ACR-125, which amends the State Constitution to dedicate all motor fuels tax revenues to funding the State transportation system.

UTCA has met with Assemblyman Cryan on many occasions regarding the TTF and need for a gas tax increase and find this action particularly noteworthy considering the fact that he is the Assembly Majority Leader, the second highest leadership position. Association representatives will continue to meet with the Christie Administration to clarify whether or not the Governor is a complete "NO" on the motor fuel tax, or simply a "NO" when it comes to being the one to initiate the motor fuel tax increase. Still, this is a positive



UTCA's Evan Piscitelli pictured with NJDOT Commissioner Jim Simpson and NJ Chamber President Joan Verplanck.

development, and we are thankful that Assemblyman Cryan has had the courage to introduce this kind of bill.

UTCA Sponsors Breakfast Honoring DOT Commissioner Simpson

The New Jersey Chamber of Commerce held a special breakfast on June 11th honoring the new Commissioner of the Department of Transportation, Jim Simpson. UTCA sponsored the very successful event and looks forward to working closely with the Commissioner on many initiatives important to the industry.

UTCA PAC Club Needs Your Support!

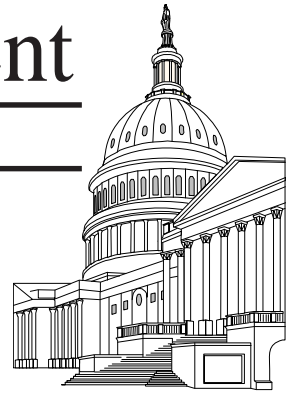
UTCA continues to represent the utility and transportation construction industry vigorously before our governmental decision-makers. Over the past several years, the Association has been responsible for developing, drafting, and securing final passage of laws that have directly impacted our members. Each week, UTCA staff monitors thousands of existing and newly introduced legislative initiatives and energetically opposes any measure that would be harmful to our industry and your business.

In this effort, Association staff conducts numerous meetings throughout the year with members of the Legislature, their staff, and representatives of the Administration. PAC Club funds allow UTCA representatives to attend legislative fundraisers and other special events which provide an opportunity to discuss industry issues with key leaders.

Whether your firm is large or small, UTCA's PAC Club program has a membership level designed to fit your financial capabilities. There are 8 different PAC Club memberships. UTCA urges you to please use the 2010 PAC Contribution Form that is attached and return it to the association office with your firm's financial support.

Constructors For Good Government

Please Support Your Industry PAC



2010 Contribution Form

Contributions to Constructors For Good Government go a long way in our efforts to educate members of the Legislature and the Administration to the needs of construction. Please check the appropriate club membership for your firm. **Please remember that contributions to Constructors For Good Government are legally permissible under all State pay-to-play laws.**

Club Memberships:

President's Club - \$10,000 _____

Governor's Club - \$7,200 _____

Ambassador's Club - \$5,000 _____

Leadership Club - \$2,500 _____

Platinum Club - \$1,000 _____

Gold Club - \$500 _____

Silver Club - \$250 _____

Bronze Club - \$100 _____

COMPANY CHECKS ARE ACCEPTABLE

Enclosed is a contribution in the amount of \$ _____. **Checks should be made payable to *Constructors For Good Government*.**

FIRM

CONTACT NAME

ADDRESS

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Please return this form with your check (**payable to Constructors For Good Government**) to the UTCA office.

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