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**To:** Members of the New Jersey Senate  
**From:** Ray Cantor, Vice President, Government Affairs  
**Date:** January 11, 2021  
**RE:** NJBIA Opposition to S-771 (Scutari (D22))

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On behalf of our member companies that provide 1 million jobs in the state and make the New Jersey Business & Industry Association the largest statewide business association in the country, we are writing to ask you to **vote against Senate Bill No. 771**, which would extend worker's compensation liability to off-site parking lots that are beyond an employer's control. Passage of this bill will no doubt lead to increased claims and costs to employers. Now, during the middle of a pandemic, when so many businesses are trying to keep their businesses operational, is not the time to impose additional, needless costs onto the business and non-profit sectors. With parking areas often offsite, this bill will disproportionately harm employers in urban areas, making it even harder to redevelop our cities while keeping jobs out of disadvantaged communities.

This bill would reverse the legislative policy of over 40 years limiting worker's compensation liability to areas under the direct control of the employer. There are many reasons for this policy. The premise of worker's compensation law is the creation of an easy path of employee compensation when they are injured on the job. Employers have the opportunity to avoid such injuries by taking steps to enhance safety.

This bill ignores this central premise and imposes liability on employers for actions and in areas for which they have no control. The specific provisions of this bill would impose liability on employers for employees who are injured traveling between an off-site parking lot, that an employer voluntarily provides, and the place of employment. The employer has no control over the conditions of the parking lot, cannot determine which route the employee may take or if the employee obeys traffic laws or not, or the actions of any third person, in a vehicle or otherwise, whose actions harm the employee. The employer cannot control the conditions of the sidewalks or streets as these are controlled by others.

Such strictly imposed liability for actions beyond an employer's control is fundamentally unfair. It also punishes an employer for providing an employee the benefit of an off-site parking lot. Passage of this bill will likely result in less benefits being provided to employees. Taking away employer paid for parking avoids the liability this bill would impose. The end result is that the employee loses.

This bill is also anti-urban employer. Suburban employers are far more likely to have on-site parking thus limiting their liability. However, most urban area employers do not have the luxury of having on-site parking. Employees who drive have no choice but to park off-site. Imposing liability when an employer provides an employee with off-site parking makes

doing business and working in urban areas more costly. What we do not need at this time is another law that favors suburban development over the revitalization of our urban centers.

This law is unnecessary, costly, harms employees, and discourages employment in our cities. We urge you to vote no.