# Garden State Initiative New Jersey Law Update

November 10, 2025 | 12:00 PM ET | Live Webinar



## Speakers



**Richard Smith** Partner, New York, and GSI Vice Chair



**Paul Bond** Partner, Philadelphia



Paul Forshay Partner, Washington, D.C.



Tara Singh Param Partner, Philadelphia



Jose Almanzar Senior Counsel, New York

## New Jersey Environmental and Regulatory Update

## New Jersey Environmental and Regulatory Update



#### Jose Almanzar

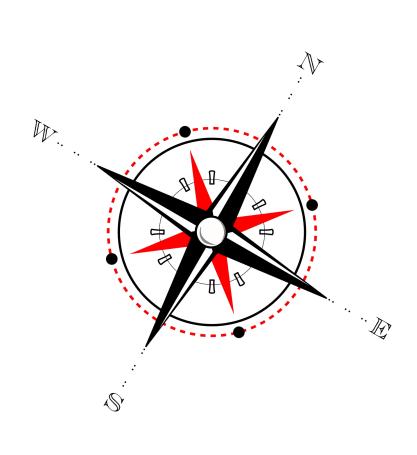
Senior Counsel

New York City, NY

Jose.Almanzar@hklaw.com

+1 212.513.3552 x73552

### Key NJ Environmental Developments



NJ Environmental **Justice Law** 

Climate & Resiliency

"Emerging Contaminants"

NJ Industrial Site Recovery Act

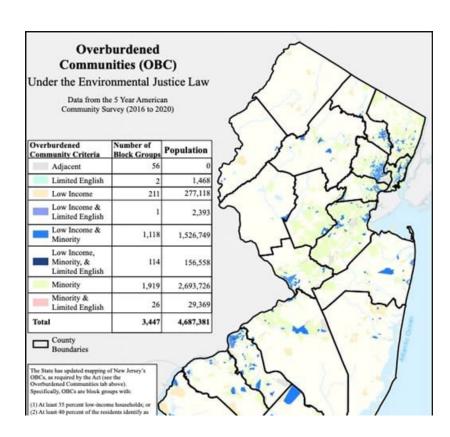
### NJ Environmental Justice (EJ) Law

Applies to "overburdened communities" statewide

**Requires Cumulative Impact Analysis** for certain "major" environmental permits

NJDEP can deny permits for facilities causing disproportionate impacts

Developers must plan for early screening and community outreach



## Climate & Resiliency (PACT Act)

Flood Risk & Sea Level Rise

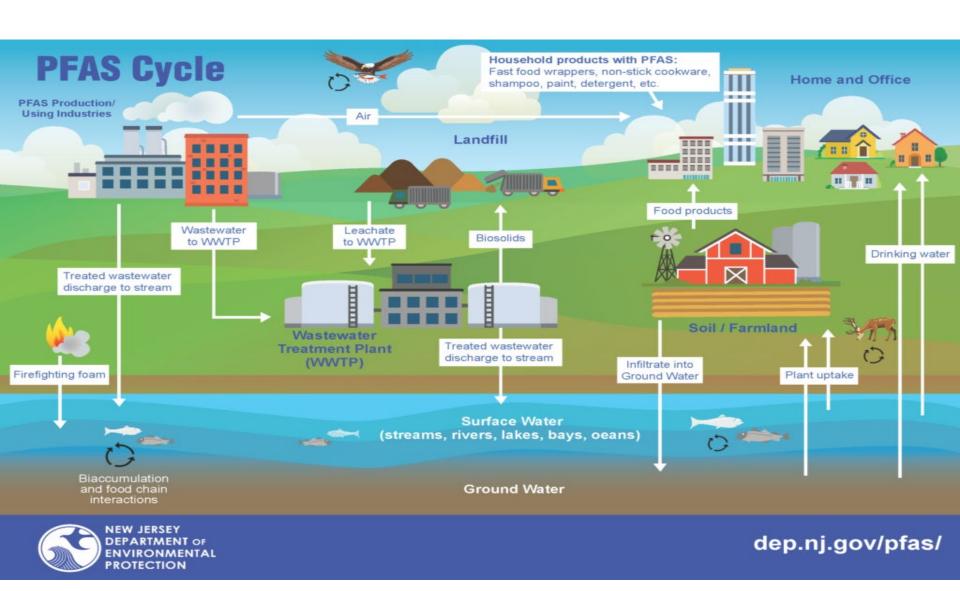
Tighter stormwater, wetland, and coastal standards

New design constraints for development in flood zones

**Municipalities integrating climate data** into land use

**Key Takeaway**: Build resilience early in planning





### **Emerging Contaminants (PFAS &** Beyond)

Strict drinking water and cleanup standards for PFAS

**Product bans expanding** 

**Due diligence must include PFAS** screening

Anticipate insurer scrutiny and blanket exclusions

#### What are the PFAS standards in New Jersey?

Contaminant	MCL (µg/L or ppb)*	Ground Water Quality Standard (μg/L or ppb)*
PFOA	0.014	0.014
PFOS	0.013	0.013
PFNA	0.013	0.013
*micrograms per liter or parts per billion		

## NJ Industrial Site Recovery Act (ISRA)

Still driving NJ remediation

Triggers at sale, closure, or ownership change

Requires investigation and potential remediation by LSRP

Applies to "industrial establishments" (NAICS codes)

**Budget for pre-closing investigation** 

Post-closing obligations may delay redevelopment



## New Jersey Employment Law Updates

## New Jersey Employment Law Updates



## Tara Singh Param

Partner

Philadelphia, PA

Tara.Param@hklaw.com

+1 215.252.9556 x49556

#### Discrimination in Al

- The New Jersey Attorney General (AG) and the Division of Civil Rights (DCR) issued guidance in January 2025 regarding "algorithmic discrimination" by employers using artificial intelligence (AI) tools to aid in employment decisions
- Employers who use AI tools for hiring and employment decisions can be held liable for bias, regardless of their intent or whether a third party developed the technology
- Potential liability under the NJLAD

## New Jersey Pay Transparency Law

- Effective June 1, 2025
- Applies to businesses that have jobs based in NJ, employ individuals in NJ, or post jobs that someone in NJ could fill
- Applies to businesses with 10 or more employees
- Penalties for non-compliance

## Independent Contractor Classification

- New Jersey is considering new worker-friendly regulations for determining whether a worker is an independent contractor
- The proposed rules aim to define the control, independence, and business engagement of workers, raising concerns among business groups about increased liability for misclassification

## New Jersey Warn Act Expansions

- New Jersey expanded its WARN Act requirements in 2023
- One of the most expansive WARN Acts in the country
- A couple of years on, those developments have shaped WARN requirements for New Jersey companies
- Overview of notice and other requirements



## Paul Forshay

Partner

Washington, D.C.

Paul.Forshay@hklaw.com

+1 202.469.5557 x75557

#### HOW DID WE GET HERE?

- 1995 Average Retail Power Price:
  - New Jersey \$0.104/kWh
  - National \$0.069/kWh
  - Difference 50.7%
- The Board of Public Utilities (BPU) "Green Book" (1997) proposed restructuring the state's electric power industry.
- Electric Discount and Energy Competition Act (1999) codified the restructuring of New Jersey's electric and natural gas industries.

#### HOW DID WE GET HERE?

- EDECA "unbundled" utility rates for distribution, transmission and generation services.
- Required utilities to divest generation assets.
- Introduced retail competition from licensed third-party power suppliers.
- Utility customers could "switch" to a third-party power supplier or stay on a utility's Basic
   Generation Service (BGS) default supply service.
- Reliance on the PJM wholesale market to ensure adequate generation capacity to meet projected customer demand.
- BGS default supply rates set through a competitive wholesale auction.

#### WHERE ARE WE NOW?

- 2024 Average Retail Power Price:
  - New Jersey \$0.1640/kWh
  - National \$0.1299/kWh
  - Difference 26.3%
- NJ average residential rates (July 2025) \$0.2531/kWh (9<sup>th</sup> highest nationally)
- NJ average commercial rates (July 2025) \$0.1838/kWh (12<sup>th</sup> highest nationally)
- NJ average industrial rates (July 2025) \$0.1490/kWh (10<sup>th</sup> highest nationally)
- Customer switching rates (August 2025):
  - Residential Load 6.1%
  - C&I Load 57.3%

#### WHERE ARE WE NOW?

- PJM Auction clearing prices:
  - 2024-2025 \$28.92/MW-day
  - 2025-2026 \$269.92/MW-day
  - 2026/2027 \$329.17/MW-day (capped)
- Without the \$329.17 price cap for the 2026-2027 delivery year, PJM estimates that the capacity price would have been \$389/MW-day.
- Demand increases driven by explosive growth in energy intensive data centers and state electrification policies.
- Pace of constructing new generation not keeping up with increasing demand.
- Powering data centers: bring-your-own generation vs. system cost allocation disputes.

#### WHERE ARE WE GOING?

- Reregulate generation, allow utilities to own/operate generation?
- End retail competition?
- Declare "state of emergency" concerning utility rates?
- No utility rate increases for "average New Jersey family" for one year?
- Substantially increase in-state power generation?
- Sue PJM to accelerate development of cheaper energy sources?
- Greater role for States in PJM decisionmaking?



### **Paul Bond**

Partner

Philadelphia, PA

Paul.Bond@hklaw.com

+1 215.252.9535 x49535

- Signed into law by Governor Murphy on January 16, 2024, the law went into effect on January 15, 2025.
- Applies to companies processing personal data of 100,000+ NJ residents are processed or selling the data of 25,000+ NJ residents.
- Requires companies to provide comprehensive privacy notices and disclosures.

- Gives consumers rights (within limits) to:
  - See what personal information is being held by a company.
  - Dispute the accuracy of that information and obtain a correction.
  - Request deletion of personal information.
  - Opt-out of sharing of personal information.
- Requires the companies evaluate high-risk data activities, like targeted advertising or profiling, and conduct data protection assessments to evaluate potential harm to consumers.

- No private right of action but enforced by NJ Division of Consumer Affairs.
  - DCA can seek \$10,000 for initial violation and \$20,000 for each additional offense
  - Until July 1, 2026, 30 day cure period will be provided after notice of violation.
- Regulations
  - Draft regulations have been proposed; comments period closed August 1, 2025.

#### Daniel's Law

- The law prohibits companies from disclosing the home addresses or unlisted phone numbers of judges, prosecutors, and law enforcement officers.
- Those protected by the law can demand their information be taken offline.
- If a company fails to do so within ten days, the protected person can sue for \$1,000 per violation and attorney's fees.
- Allows assignment of rights, including assignment of the right to sue.

#### Daniel's Law

- By 2025, the Plaintiffs' bar had weaponized Daniel's Law, in an attempt to turn tragedy into a windfall.
- Daniel's Law allows for appointment of an agent and assignment of claims.
   More than 19,000 persons have appointed Atlas Data Privacy Corporation as their Daniel's Law agent.
- Atlas Data Privacy has sent scores of vague, sometimes non-sensical takedown demands to all manner of online companies.
- And then brought more than 100 suits seeking millions in statutory damages.

#### Daniel's Law

- On September 2, 2025, the federal Third Circuit Court of Appeals asked the New Jersey Supreme Court to answer certain questions about the state's judicial privacy law, Daniel's Law. The questions are not yet certified.
- Specifically, does Daniel's Law require any *mens rea*?
- And, if not, is Daniel's Law unconstitutional?

**Questions?** 

Thank you!