

NEW JERSEY STATE AFL-CIO

106 West State Street
Trenton, New Jersey 08608

(609) 989-8730

FAX (609) 989-8734

www.njafclcio.org

CHARLES WOVKANECH

LAUREL BRENNAN

CHARLES H. MARCIANTE



JOYCE ALSTON

JOSEPH ASHTON

MICHAEL BARNES

MARTIN CAMPBELL

NOEL CHRISTMAS

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JOHN SHINN

JOSEPH SORESI

DERRICK THOMAS

RICHARD TOLSON

ANN TWOMEY

HARVEY WHILLE



October 22, 2012

Dear Members of the Senate Labor Committee:

**RE: Please Support S-2188 (Gordon / Weinberg / Sweeney / Whalen):
"Save New Jersey Call Center Jobs Act"**

The New Jersey State AFL-CIO respectfully ask for your support for S-2188, which seeks to require employers relocating a call center from the State of New Jersey to foreign countries to provide notification to the Commissioner of Labor and Workforce Development at least 120 days prior to the transfer of operations. The bill also calls for these companies to remit any State grant, loan, tax benefit or other financial support provided to the employer by the State.

Call centers are one the nation's largest industries, with over four million employees. However, companies continue to relocate thousands of these jobs overseas, negatively impacting our workforce here in New Jersey and nationally. To make matters worse, these same companies enjoy lavish taxpayer funded subsidies. The need for this legislation is simple and straight forward – taxpayer subsidies should support American jobs, not reward companies that export jobs. And when these jobs are exported, American policy makers and consumers have a right to know which companies are shipping call center jobs out of America.

Here in New Jersey, Verizon clearly illustrates this problem. The company has received \$113 million in taxpayer subsidies from the state since 1998, and despite being extremely profitable -- \$33.4 billion in profits over the last three years -- it paid no federal corporate income tax from 2008-2010 and even received \$951 million in taxpayer funded rebates from the federal government during that time period. Meanwhile, they have reduced their call center workforce by approximately 50% in New Jersey over the past decade.

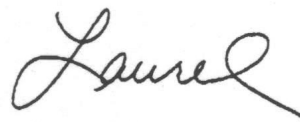
Finally, it should be noted that although outsourcing is a national problem, states have an opportunity, and in our opinion, a responsibility, to act when the federal government fails to do so. New Jersey has acted, and there is precedent for states passing legislation seeking to restrict the outsourcing of domestic jobs. In 2005, legislation (S-494) was signed into law that banned the outsourcing of state funded service contracts and required them to be performed here in the United States. One of the positive effects of this law was bringing certain state funded call center jobs back to the United States, for example, those that service our state's welfare recipients. When this bill was debated, similar constitutional arguments regarding foreign commerce and preemption were made by corporations. To date, there have been no legal challenges to the 2005 law.

On behalf of thousands of New Jersey call center workers, we respectfully ask for your support of this legislation that promotes transparency for consumers and promotes responsible and sensible corporate tax subsidy policy.

Sincerely,



Charles Wowkanech
President



Laurel Brennan
Secretary-Treasurer

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OPEIU:153