

GOLDEN: With tax proposals, Democrats put Christie on notice

Written by Carl Golden

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If not for scandals dominating the political/government environment, the recent announcement by state Assembly Speaker Vincent Prieto that he is open to three ideas to raise taxes would have drawn an immediate administration response and established sharply conflicting contexts for the executive-legislative budget negotiations.

With Gov. Chris Christie scheduled to submit his fiscal 2015 budget to the Legislature on Feb. 25, Prieto said he would welcome consideration of the following:

- An increase in the state's 14.5 cents per gallon gasoline tax to replenish the Transportation Trust Fund.
- Imposing a yet-to-be-determined tax on water consumption to finance acquisition and preservation of open space.
- Reinstating the surtax on incomes of wealthy New Jerseyans, a perennial favorite of Democrats ever since the tax expired at the close of the Corzine administration in 2009.

Prieto offered no details, other than to suggest that with revenues falling short of administration estimates and an agonizingly slow economic recovery, he anticipates the budget will pinch pennies and fail to adequately address the state's needs and priorities.

By raising the prospect of increasing taxes, Prieto signaled that there is a sense among legislative Democrats that Christie has been forced to take his hands off the wheel to deal with the multiple and potentially drawn-out investigations of his administration and re-election campaign.

They have concluded that a distracted governor is a weakened governor, besieged on all sides by questions about his staff's involvement in closing access lanes at the George Washington Bridge in Fort Lee and by allegations of improper distribution of superstorm Sandy relief funds.

Prieto, D-Hudson, tempered his tax increase comments with a promise to seek cost savings, including workforce reductions, but it's unlikely that sufficient spending cuts can be found, coupled with layoffs, to cover the revenue shortfall as well as fund administration and legislative priorities.

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