

Under the Dome with DeAngelo

*An Update on the New Jersey State Government by Assemblyman Wayne DeAngelo
(April 2014)*

With spring is finally here and we all head outdoors to enjoy warmer weather, let's take a moment to peer under the State House Dome to see what issues the State Legislature and Governor's Executive Branch are tackling that impact the daily lives of residents all around New Jersey.

The State Senate and General Assembly are continuing to review Governor Christie's proposed \$34.4 billion state budget for Fiscal Year 2015. Budget experts from the independent, non-partisan Office of Legislative Services recently projected the Governor's proposal to have a \$526 million shortfall because of "lackluster" growth in major tax revenues. Throughout April and May, the respective legislative committees will be reviewing the budgets for each executive branch department in-depth to approve or adjust spending priorities. The final balanced budget must be in place, as per the New Jersey State Constitution, by June 30, 2014.

Structural concerns have been raised regarding the state's transportation infrastructure, particularly given the noticeable wear and tear on the roads after the brutal winter weather. To provide necessary funding to improve roads and bridges, Senator Raymond Lesniak (D-Union) has proposed a four-cent gas tax increase (per gallon of gas) annually for the next six years. New Jersey has the second lowest gas tax at 14.5 cents per gallon (only Alaska's is lower) but the rate has not been increased since 1992.

The proposal would create an additional \$240 million in revenue per year dedicated to transportation infrastructure improvements. One leading organization, the American Society of Civil Engineers, indicated last year that 10 percent of the state bridges were structurally deficient; 26 percent of bridges were functionally obsolete; and an astounding 66 percent of roadways were in poor or mediocre condition. After the recent winter, drivers are even more concerned about the road condition, however, there is no consensus yet if this bill would have the support to pass given tax implications. The proposed bill, Senate Bill 1865, would need to be vetted and passed by both houses of the Legislature and signed by the Governor to be enacted.

Among other recent controversial proposals is a measure by Senator Nick Scutari (D-Union) that would legalize the possession of marijuana of less than one ounce (and less than six plants) by adults over the age of 21. Regulations would be put in place through the Division of Alcohol Beverage Control to allow for taxation of such small quantities of marijuana. Revenues from marijuana tax would be put toward drug prevention and enforcement efforts; women's health programs; and transportation projects. Colorado, one state who has legalized marijuana, reported \$2 million in tax revenues in January 2014 alone.

The State Municipal Prosecutors Association as well as Law Enforcement Against Prohibition are among advocacy groups supporting the bill in an effort alleviate the burden on law enforcement for small amounts of marijuana possession in order to focus on other criminal activities. Even if these groups were able to team with others to pass the measure in the

Legislature, Governor Christie has remained a staunch opponent of marijuana legalization and has pledged to veto the measure if it reached his desk.

The innovative automaker, Tesla, that boasts a sleek, all-electric car recently found itself stopped in their tracks from directly selling their vehicles to customers in New Jersey. The automotive pioneer, with dealerships in Paramus and Short Hills, now will be forced to change their facilities into showrooms. Customers will then be directed to out-of-state facilities to purchase a luxury all-electric vehicle thanks to a regulation enacted by the Christie Administration's Motor Vehicle Commission (MVC). Under the regulation, all cars sold in New Jersey must be sold through a franchised dealership agreement which all new dealers must present to the MVC by April 15, 2014. The Tesla company model sells their cars directly to customers so the regulation effectively shuts down the sale of the vehicles in New Jersey.

The New Jersey Coalition of Automobile Retailers has vehemently opposed the direct sale of cars the way Tesla operates and has actively lobbied for the enforcement of laws requiring dealership franchises and pushed for this regulation. Several legislators have introduced measures that would authorize the direct sale of zero-emission vehicles in New Jersey up to four percent of the total number of vehicles sold in the state. Automotive sales are among a handful of industries, such as alcoholic beverage sales, that is strictly regulated in New Jersey to prevent manufacturers from selling goods directly to consumers. It is possible that this measure is fast-tracked in order to keep the existing Tesla sales centers open to retain the clientele, jobs and potential economic benefit from them. Meanwhile, Tesla has filed suit with Superior Court claiming that the MVC actions are not "legally permissible and directly harm consumers."

Finally, a quick reminder to our senior citizen and disabled residents who may qualify for this year's Property Tax Reimbursement program, commonly known as the "Senior Freeze" Program (or the 'blue book' PTR forms) that the deadline for applications this year is June 2, 2014. The eligibility qualifications for the 2013 reimbursement are: age 65 or older or receiving Federal Social Security disability benefits; a New Jersey resident for at least the last 10 years; resident at your current address for at least the last three years; up-to-date on the full amount of property taxes; and making an annual income that was \$84,289 (or less) in 2013 and \$82,880 (or less) in 2012. Anyone seeking an application or more information on the Senior Freeze program can contact my office for assistance with this important property tax relief.

I hope to see you back here next month, Under the Dome.

Editor's Note: Assemblyman Wayne DeAngelo (D-Hamilton) represents the 14th Legislative District which includes parts of Mercer and Middlesex counties. He can be reached at AsmDeAngelo@njleg.org; phone (609) 631-7501; Facebook: Assemblyman Wayne DeAngelo.