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## Legislative Update

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**By Rob Nixon, Princeton Public Affairs Group, Inc.**

There is perhaps no greater concern on the minds of elected officials, business owners and taxpayers in New Jersey than the state of the economy. As government grasps for options to limit the damage and to fund services with declining tax revenue, businesses also face a harder task of operating with consumers limiting spending. This certainly leads to concern that the two forces, businesses trying to survive and government looking for revenue, will collide.

New Jersey's condition is not very different from most other States. Income, Corporate and Property Tax revenues are down considerably in this fiscal year and the state faces a nearly \$2 billion deficit this year and a possible \$5 billion deficit the next. With recurring holes that large in the budget, the Governor and legislative leaders are searching for any option to balance the Budget. Governor Corzine recently proposed \$812 million in spending cuts to the current fiscal year budget and there is some impact to the MTA/NJ in the proposal, including:

- \$1 million transfer from I BOAT NJ to General Fund
- \$1 million reduction in State subsidy to Hunters and Anglers Fund
- \$982,000 cut from Clean Water Enforcement Act Funds
- \$86,000 cut from New Jersey Marine Sciences Consortium

These proposals are meant to address current needs to trim spending. MTA/NJ has expressed deep concern over the \$1 million transfer of I BOAT NJ funds as a serious blow to the program and to projects that benefit the recreational boating community and economy. A copy of the MTA/NJ Economic Impact Analysis has been delivered to the Governor and Commissioner of Transportation to address this and other economic matters. The next major announcement will come on March 10, 2009 when the Governor delivers his annual Budget Message to the Legislature and the budget proposal will be released to the public. From March to the end of June the Legislature will primarily address the FY 10 Budget and MTA/NJ will be on alert for any tax increase proposal or further cut to infrastructure or boating programs.

In addition, the Governor's Office is working on making appointments to the Public Access and Marina Safety Task Force. MTA/NJ sent several recommendations for appointments to the Task Force and the Governor's Office is currently reviewing them.