

February 20, 2020

Dear Governor Murphy,

As you finalize your proposed FY 2021 budget and message, we the undersigned 48 faith, labor, progressive, community, and environmental organizations, write to underscore how critical fiscal responsibility is to environmental protection.

Funding public health safeguards has suffered due to 25 years of fiscal irresponsibility that will take years to recover from. Your revisions to the FY 2018 and actual FY 2019-20 budgets began the effort to repair that damage. We urge you to continue and accelerate that trend with fewer one time infusions of money, a fair balance of budget cuts and tax fairness, less diversion of dedicated funds, and a healthy budget surplus.

Key investments are needed and we recognize you can't fund something with nothing so we recommend:

1) Increased funding for critical programs:

- **Department of Environmental Protection** – NJDEP¹ is chronically **underfunded and understaffed**. Recently it suffered a 22%+ budget cut adjusted for inflation with the same amount (\$251 million) expended for Direct State Services in FY 2005 as in FY 2018. Similarly DEP staff were cut 22%+ from 3,437 full time equivalent employees in 2005 to 2,665 in 2017, the fewest staff in over 30 years! Parks, environmental justice, water, diesel and site remediation programs have been the focus of **diversions** to the General Fund, GSPT, and outside private contractors. And the demands on DEP are ever increasing -- the new climate rules required under EO100 alone are huge. An infusion of tens of millions of dollars is needed here.
- **NJ Transit** -- NJT operations are in desperate need of an infusion of funds to restore, let alone improve, basic service without raiding other programs, especially NJT's capital budget and the Clean Energy Fund. The price tag to fix NJT's **structural deficit**, which undermines New Jersey's abilities to expand mass transit and electrify our bus fleet, is \$750 million
- **Clean Energy** -- End all Clean Energy Fund raids. They have totaled over \$1.5 billion over the past 10 years, cost our state thousands of clean energy jobs, impacted consumer savings, and stalled efforts to combat the climate crisis. While the **raiding** was less last year (\$88 million), it is still too much.
- **Clean Water** -- Capital upgrades for stormwater, lead mitigation, unregulated contaminants, and combined sewers will not only stem **public health crises** but also create construction jobs. This requires billions of dollars over many years. We can't afford to wait -- the problem just gets worse!

2) Paid for by some combination of the following revenue enhancers and cost savings:

- Reform **corporate tax incentives**, hold past abusers accountable, rollback 2011 business tax cuts, make permanent the temporary surcharge, close tax loopholes and reinstate **the millionaire's tax**.
- Ramp up **enforcement** actions, especially in environmental justice communities.
- Strengthen **taxation on inherited wealth**, tax opioid manufacturers and increase gun fees, return the **sales tax** to its level before the 2016 Transportation Trust Fund deal and offset it for low

¹ Source: NJ Treasury Departments annual budget publications available at <https://www.nj.gov/treasury/omb/archived-budgetpubs.shtml>

income residents by expanding Earned Income Tax Credits.

- Redirect Corporate Business Tax, Natural Resource Damages and any Regional Greenhouse Gas Initiative funds to better target environmental injustice.
- **Negotiate** public worker benefits at the bargaining table (as occurred with the health care savings in the FY2020 budget, for example) not by legislative mandate.
- Increase investments in programs that will **grow the economy** and thus state revenue such as New Jersey Transit, clean energy (offshore wind, solar, efficiency measures, and smart grid development), and water infrastructure. In particular, we should invest in environmental justice programs and workforce development to expedite the transition to a fair, clean, green, renewable economy.

We recognize it is a multi-year effort to dig out of the hole we're in and make New Jersey stronger and fairer. Please build on and accelerate the progress you've made to date by increasing funding for these priorities while staying true to and expanding fiscal discipline and tax fairness.

Sincerely,

350NJ-Rockland
Action Together New Jersey (ATNJ)
Already Devalued and Devastated Homeowners
of Parsippany
Amalgamated Transit Union NJ State Council
Anti-Poverty Network of NJ
BlueWaveNJ
Camden County NAACP Branch #2080
Central Jersey Coalition Against Endless War
Clean Water Action
Climate Mama
Coalition Against Pilgrim Pipeline - NJ
Coalition to Ban Unsafe Oil Trains
Collingswood Democratic Committee
Cooper River Indivisible
CWA Local 1036
Delaware Riverkeeper Network
Don't Gas the Meadowlands Coalition
Environment New Jersey
Green Party of Monmouth County NJ
Green Party of New Jersey
GreenFaith
Hudson County Central Labor Council
IFPTE Local 194
Indivisible Bayshore

Indivisible Cranbury
Indivisible NJ5
JOLT USA
Lutheran Episcopal Advocacy Ministry NJ
New Jersey PACE
NJ 11th For Change
NJ Citizen Action
NJ Communities United
NJ Policy Perspective
NJ Skylands Sunrise Hub
NJ Student Sustainability Coalition
NJ Work Environment Council
NJ Working Families Alliance
NJ-08 For Progress
OR (Our Revolution) Passaic County
Possible Planet
Roseland Against Compressor Station (RACS)
Sierra Club, NJ Chapter
Skylands Group, NJ Sierra Club Chapter
South Jersey Progressive Democrats
STAND CENTRAL NJ
Unitarian Universalist FaithAction NJ
Westfield 20/20
Wind of the Spirit