

NEWS RELEASE
Governor Jon S. Corzine
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**GOVERNOR CORZINE SIGNS \$29 BILLION STATE BUDGET
THAT REFLECTS ETHIC OF SHARED RESPONSIBILITY**

Amid deep national recession, FY2010 budget makes the right choices: It prioritizes education, health care and seniors at the same time it provides unprecedented relief from property taxes to all New Jerseyans and direct tax rebates to 1 million working families.

TRENTON – Governor Jon S. Corzine today signed legislation adopting a \$29 billion budget for FY2010 that is \$1.8 billion less than the first budget he signed four years ago.

“For over six decades, New Jersey Governors and Legislators have talked about the need to make state government leaner,” Governor Corzine said. “But for over six decades, the size and cost have government have continued to grow – until now. The budget I signed is \$1.5 billion smaller than the first budget I signed in 2006 and is \$4 billion smaller than last year’s budget, yet we have expanded my administration’s unequaled investment in direct property tax relief for working families – \$7 billion in four years. We have proven that government can do more with less.”

The bare-bones appropriations act (A-4100/S-2010) is an unprecedented reduction in the size of State government. Every department, agency and authority was ordered to make cuts. There were more than 850 line items eliminated or reduced – everything from \$300 million saved by renegotiating state worker union contracts to cutting up gas cards to consolidating office space and reducing the number of cars in the state motor pool.

Scarce resources presented tough choices, but the governor and Democratic lawmakers prioritized funding for education, health care and senior citizens. The budget also provides much-needed property tax relief for homeowners, including 1 million who will receive direct relief through rebate checks of as much as \$900 per household.

“Today, we can be proud of a budget that honors our commitment to our children, seniors, and the most vulnerable,” Governor Corzine said. “It’s a budget that protects the working-class taxpayer and one which asks a little more of those who can afford it. This budget reflects an ethic of shared responsibility.”

The Governor thanked Democratic leaders in the Senate and the General Assembly for their efforts in holding public hearings and securing passage of the final spending plan.

“Everyone involved in crafting this year’s budget should be commended for the level of civility and cooperation employed in a year that could have easily devolved into chaos,” said Senate President Richard J. Codey (D-Essex). “Instead, what we have is a budget

that is \$4 billion leaner, yet still provides vital services to our residents, and is being signed into law well before our deadline.”

“We have always said that we would seek to provide as much property tax relief as possible, and this budget honors that commitment to put property taxpayers first,” said Assembly Speaker Joseph J. Roberts, Jr. (D-Camden).

“Even with historic cuts, this budget focuses on our core mission as a state – educating our children, improving public health, keeping residents safe and providing vital property tax relief to middle-class families,” said Assemblyman Louis Greenwald (D-Camden), chairman of the Assembly Budget Committee. “As other states continue to make unconscionable cuts to their residents’ core values, we continue to strengthen ours.”

The Governor earlier signed other budget related measures including:

- **A-4101/S-2011 (Greenwald/Buono)** – Makes FY 2009 supplemental appropriations totaling \$20,768,000 reduces FY 2009 appropriations by \$27,500,000 and amends and supplements various language provisions affecting appropriations in FY 2009
- **A-4102/S-2015 (Watson Coleman/Buono)** – Temporarily increases income tax rates for taxpayers with income exceeding \$400,000, temporarily adjusts property tax deduction for certain taxpayers with income exceeding \$150,000 and taxes New Jersey Lottery Prizes exceeding \$10,000
- **A-4103/S-2012 (Diegnan/Codey)** – Raises cigarette tax rate from \$2.575 to \$2.70 per pack and dedicates additional revenue to the Health Care Subsidy Fund
- **A-4104/S-2013 (Wisniewski/Weinberg)** – Increase tax rates on liquor and wines, vermouth, sparkling wines and hard cider and dedicates additional revenue to the Health Care Subsidy Fund
- **A-4105/S-2014 (Pou, Evans/Sweeney)** – Provides one year extension of 4% surcharge on corporation business tax liability and decouples corporation business tax from federal Internal Revenue Code deferral of certain discharge of indebtedness income
- **A-4106/S-2018 (Green, Jasey/Sweeney)** – Directs NJHMFA to transfer up to \$12 million in unencumbered reserves to the State for rental assistance program and makes appropriation
- **A-4107/S-2017 (Quigley, Chivukula, Coutinho/Sweeney)** – Directs EDA to transfer up to \$22 million in unencumbered reserves to qualifying capital investment grant component of InvestNJ Business Grant Program
- **A-4108/S-2016 (Cryan, Coutinho/Sweeney)** – Concerns taxation of certain lines of insurance and dedicates certain additional revenues to the Health Care Subsidy Fund
- **S-2020/S-A-4109 (Codey/McKeon, Chivukula)** – Provides for the allocation of the State’s annual bond volume limits on certain bonds in accordance with the federal American Recovery and Reinvestment Act of 2009
- **A-3973/S-2797 (McKeon, Gusciora/Beach, O’Toole)** – Appropriates funds to DEP for clean water environmental infrastructure projects

Budget charts can be viewed in the Governor's Newsroom section on the State of New Jersey web page, <http://www.nj.gov/governor/news/>.

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