

BIPARTISAN TRANSPORTATION PLAN GAINS SUPPORT

Backed by a wide range of organizations and advocacy groups and joined by legislators from both parties and both houses of the Legislature, Senator Paul Sarlo and Senator Steve Oroho said today they will continue to work to gain additional support for their plan to renew the Transportation Trust Fund and introduce their detailed legislation immediately, preventing the fund from going broke and providing a dedicated, long-term funding plan to meet the state's critical transportation needs as well as immediate and long-term economic benefits.

Joining in support were Senate President Steve Sweeney, Senate Majority Leader Loretta Weinberg, Republican Senator Joe Kyrillos and Assembly Majority Leader Lou Greenwald, the Assembly sponsor of the plan that includes a series of tax-saving measures.

"This is a detailed plan that will address the state's critical transportation needs at the same time it creates jobs and delivers a significant boost to the economy," said Senator Sarlo, a sponsor of the bill. "It also includes a series of tax saving measures to aid the working poor, retirees and middle class families. We have bipartisan participation and support in both the Senate and Assembly."

The TTF would gain the resources to invest \$2 billion a year for 10 years to repair, upgrade and maintain the state's roads, bridges, tunnels and railways, the "lifblood of the New Jersey economy," Senator Sarlo said. The funds would be generated by increases in petroleum taxes that, if passed along to motorists, could add 23 cents to the cost of a gallon of gas.

A sustained investment of \$2 billion annually would produce an estimated \$4.7 billion in economic activity and create more than 34,000 jobs directly and indirectly, with annual payrolls of \$1.4 billion. Each dollar spent from the TTF generates \$2.35 in economic activity.

"This is an investment in jobs and economic growth," said Senator Sweeney. "We can't afford to not address this need. I want to applaud Senators Sarlo and Oroho for their work on this comprehensive plan and praise all the legislators for demonstrating the political strength to take the actions that are in the state's best interests. We will work to get the job done."

"We are taking a major step in helping put our financial house in order," said Senator Oroho. "This is a real plan to broadly address New Jersey's financial crisis. With this restructuring plan we will shore up the Transportation Trust Fund, end the subsidy to out-of-state drivers which unfairly burdens New Jersey residents and stop an impending property tax explosion from happening in New Jersey. We also will double local transportation aid to counties and municipalities which will provide measurable property tax relief to residents."

The plan will double funding to \$400 million annually for counties and municipalities, which will help hold down property taxes at the same time local roads are improved.

"This plan will create a robust Transportation Trust Fund that will finally put the Bergen into the Bergen-Hudson Light Rail Line," said Senator Weinberg. "It also includes funding for the State Transportation

Infrastructure Bank that was a priority of our New Jersey: Investing in You Transportation Plan and will support an additional \$200 million a year in local transportation investment."

The plan would create a seven percent petroleum tax, add 10 cents to the tax on motor fuel, and a 3-cent-per-gallon surcharge on diesel fuel, all imposed at the wholesale level. The potential 23-cent increase, if added to New Jersey's current 14.5-cent tax, could result in a 37.5-cent per gallon cost that would still be lower than both New York, Connecticut and Pennsylvania.

An estimated 30% of the tax would be paid by out-of-state motorists.

"I'm very proud that after years of hard work, we have been able to come up with a solution to a decades old problem that brings together bi-partisan leadership and support from every region of the state to tackle our crumbling infrastructure, grow our economy and reform parts of an outdated tax code," said Majority Leader Greenwald. "We are honored that this solution has the endorsement of the business, labor and social advocacy groups that work so hard to make New Jersey a better place to raise our families."

"This is one of the most important legislative initiatives in recent history because it addresses our most demanding needs with a balanced, detailed plan," said Senator Kyrillos. "As presented, this is a detailed plan that incorporates different approaches with a shared goal of improving the infrastructure, boosting the economy and reducing taxes."

All motor fuel taxes will be dedicated solely to the Transportation Trust Fund under a constitutional amendment already scheduled to go on the ballot in November.

The tax saving components of the legislation include an increase in the Earned Income Tax Credit to 40%, an increase in the tax exemption on retirement income to \$100,000 for couples, a tax deduction for charitable contributions and a new gas tax deduction.

Joining in support were Jamie Fox, former Transportation Commissioner; Bill Mullen, President, NJ State Building & Construction Trades Council; Bob Briant, CEO, Utility & Transportation Contractors Association; Greg Lalavee, Operating Engineers 825; Janna Chernetz, Tri-State Transportation Campaign; Eric Richard, AFL-CIO; Michael Egerton, NJ Chamber of Commerce; Frank Robinson, NJBIA; Michael Darcy, NJ League of Municipalities; Somerset Freeholder Peter Palmer, Raritan Valley Rail Coalition; Tim McDonough, NJ Conference of Mayors; John Donnadio, NJ Assoc. of Counties; Jack Kocsis, Associated Construction Contractors of New Jersey; the Northeast Regional Council of Carpenters; Ralph Thomas, NJ Society of Certified Public Accountants; **Sal Risalvato, NJ Gasoline C-Store Automotive Association**; Maria Elena Foster, NJ Painters Union; Peter Kasabach, NJ Future; Ciro Scalera, NJ Laborers; Ray Woodall, Ironworkers; and Joe Fiordaliso, American Council of Engineering Companies of New Jersey, among others.