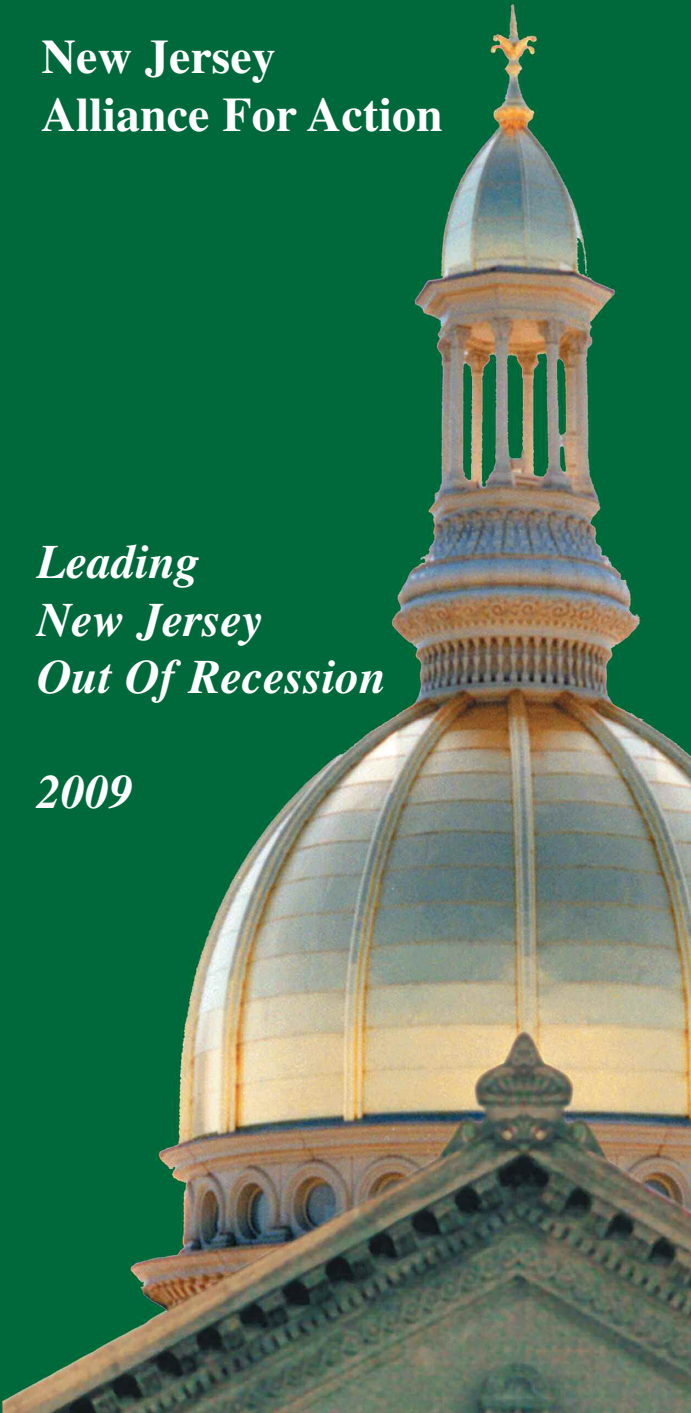


**New Jersey
Alliance For Action**

*Leading
New Jersey
Out Of Recession*

2009



Infrastructure Investment Leading New Jersey out of Recession

Economic turmoil. Double-digit unemployment in construction. Crumbling infrastructure. Government deficits. Business failures. Credit crunch...Sounds like today's newspaper headlines.

Except it was thirty-five years ago! That litany of problems was the impetus for creation of the New Jersey Alliance for Action as a non-partisan, non-profit new force to rally business, labor and government in a unique partnership. The Alliance for Action advocated infrastructure investment as the fastest, most effective way to create jobs and generate crucially needed revenues and income. The Governor and Legislature responded, and the infrastructure initiatives helped New Jersey climb out of recession.

Now, economic forces --- many beyond our control --- have come together to propel the downturn we face today. The Alliance calls on New Jersey to look back after three-plus decades. We must learn what we did right then, what we could have done better and what we neglected that could help today.

The Alliance reaffirms the conviction that **New Jersey should target precious dollars to address urgent infrastructure needs.** Those projects should be ready to deliver jobs, tax revenues and resources to revitalize the troubled economy.

This is no time for political timidity, partisan bickering or settling for short-term compromises. We must stop celebrating those failed steps as real solutions.

The Alliance for Action offers the following recommendations to help restart the economy. They were developed after much consideration and dialogue among the diverse membership of our organization. As always, the Alliance stands ready to assist.



George R. Laufenberg
Chairman



Philip K. Beachem
President



Dr. Robert Altenkirch
President, New Jersey Institute of Technology
Committee Chairman

Funding Our Economic Recovery

New Jersey is facing a capital infrastructure funding crisis of unprecedented magnitude. It engulfs every aspect of life in our state. There are solutions, but they will require bi-partisan cooperation and political will. **No economic recovery will be possible for New Jersey unless and until this problem is solved.** This must be the overriding priority for whomever is our next Governor. The lessons of the economic recession of the 1970's are clear; investing in capital infrastructure is the fastest and most effective way out of our recession.

Recommendations

- *A limited state constitutional convention for the purpose of addressing local tax burdens on New Jersey's residents and businesses.*
- *Immediate renewal of the existing New Jersey Transportation Trust Fund to ensure program continuity while a long term program is developed.*
- *Creation of a new New Jersey Infrastructure Bank as a revolving fund designed to leverage the myriad of existing independent agencies.*
- *Strengthening and enforcing the oversight role of the Capital Planning and Budgeting Commission as the gatekeeper for future debt issues.*
- *Strong encouragement of public/private partnership for infrastructure needs that neither sector can fund separately.*

Mobility of People and Products

Moving people and goods efficiently, economically and safely with **a balanced transportation network is essential to New Jersey's future growth, jobs, quality of life and ability to retain and attract business.** In the 1980's New Jersey created the Transportation Trust Fund as a stable funding mechanism to pay for these improvements. More than two decades later, that program is now on life support. New Jersey's ability to fund transportation improvements is dependent on two sources of money: the federal transportation funding program and the state's transportation trust fund. Both are in urgent need of renewal.

Recommendations

- *Provide immediate infusion of new cash to temporarily address the funding crisis faced by the state's transportation trust fund with a special emphasis on public safety improvements to our roads, bridges and transit systems.*
- *Enable county and municipal governments to adopt, with voter approval, optional local transportation taxes to fund local transportation improvements similar to the highly successful open space tax.*
- *Lead an aggressive campaign for renewal of the federal transportation funding program with New Jersey businesses, labor and Congressional delegation.*
- *Shorten the time-frame for State Office of Historic Preservation review of proposed improvements to bridges.*
- *Assure a stable source of funding for critical mass transit and freight movement projects.*

Regulatory Reform

New Jersey's economic recovery will not succeed unless and until substantial reforms occur in its existing regulatory environment. Despite recent initiatives to reform the process, the overall regulatory environment remains bureaucratic, time-consuming and costly. These obstacles constitute some of the biggest hurdles to economic progress, job growth and job retention.

Recommendations

- *Implement the fast track permitting initiative originally incorporated in the Highlands Act, but subsequently sidelined through Executive Orders.*
- *Shorten the time for departmental review and permit issuance.*
- *The recently enacted Permit Extension Act should be extended beyond its scheduled July 2010 expiration date.*
- *Recommendations of the DEP Permit Efficiency Review Task Force should be enacted.*
- *Fee generation by departments must be reviewed and audited, so that they do not act as disincentives to economic growth.*
- *Engage the new Lieutenant Governor in the process of regulatory reform.*

Energy & Utility Investments

New Jersey's regulated utilities have the potential to be a uniquely powerful economic engine in our efforts to climb out of recession. Through a fast and potent program of accelerated infrastructure investment, New Jersey utility companies employ thousands while delivering a utility infrastructure to meet 21st century needs of residents and businesses. Moreover, little or no state monies are required to make this happen.

Recommendations

- *New Jersey needs to advocate and support alternative energy production including wind, solar, nuclear power generation and LNG.*
- *Support recovery for accelerated investments for New Jersey water companies to achieve parity with other utilities.*
- *Encourage and support projects that ensure reliability based electric and gas transmission projects.*
- *In the telecommunications area, if providers deliver similar services there should be equal treatment and parity in laws, regulations and taxes impacting the delivery of such services.*

Education

Capital needs of New Jersey's K-12 schools, public and private universities and community colleges can no longer be ignored if we are to invest in quality education of our students.

Recommendations

- *Planning, evaluation and approval of capital projects for K-12 should be consolidated within the state's Schools Development Authority.*
- *Support a bond issue for capital investment for higher education needs.*
- *Implement a low interest revolving loan program for school construction.*
- *New Jersey must encourage public/private partnerships in building and ownership of educational facilities to help fill the funding vacuum.*
- *Vocational education should be expanded to develop a skilled workforce to underpin and attract economic growth.*
- *The enormous scope of intellectual and research capital within New Jersey's universities and colleges should be harnessed through an ongoing partnership to focus on solving major state problems and needs.*

Maritime and Water Resources

New Jersey's maritime and water resource needs are critically important to ensuring continued viability of our ports, tourism and environment. Too often, these resources have been unappreciated and under-valued as priorities.

Recommendations

- *Continue port dredging projects and support national efforts to ensure that the Harbor Maintenance Trust Fund is used for its intended purpose.*
- *Provide additional resources to the highly successful New Jersey Environmental Infrastructure Trust Fund.*
- *Solve the bottleneck of the Bayonne Bridge so the New Jersey/New York Port can remain economically competitive.*
- *Implement a land-based transportation plan for port access and mobility.*
- *Support and supplement the Shore Protection Fund to provide matching funds so New Jersey does not lose federal monies.*
- *Expedite dredging and deepening of New Jersey's intracoastal and backway water, inlets and rivers to maintain our tourism, recreational and maritime industries.*
- *Support construction of a new reservoir for precious water supplies.*

Projects of Statewide Impact

In serving and hearing from its members throughout New Jersey, issues of extraordinary statewide impact have come to the attention of the Alliance for Action. **These issues require the highest priority attention and support of the next Governor.**

- *The future of the New Jersey Sports & Exposition Authority, the Xanadu complex and the entire Meadowlands region.*
- *The long term health of Atlantic City's casino industry, especially a transportation vision as incorporated within the Atlantic City Regional Transportation Plan.*
- *Continued funding and momentum for the ARC Trans-Hudson Tunnel as the critical link for statewide expansion of transit service and address the future of the Portal Bridge.*
- *Delaware River Port Authority's efforts to expand transit service to South Jersey.*
- *Redevelopment of Fort Monmouth and its potential regional economic benefits.*
- *New Jersey's construction industry should be given greater access to opportunities for work at in-state military installations.*
- *Expansion of the successful Transit Village local redevelopment program to revitalize communities.*
- *Redevelopment of the City of Camden.*