
THIS WEEK IN TRENTON



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Christie to Address Joint Session of Legislature on Budget Deficit

Governor Chris Christie will address a special joint session of the Legislature next Thursday, February 11, to discuss the state's current year budget deficit. In testimony before the Senate Budget and Appropriations Committee yesterday, Legislative Budget and Finance Officer David Rosen estimated the current year's deficit to be about \$2.2 billion, before taking into account the Corzine administration's \$1 billion in measures to reduce it. That includes about \$180 million more than previously discussed because of increased Medicaid costs.

Rosen also told the committee that the state faces anywhere from an \$8 to \$11 billion structural budget deficit for the next fiscal year, which begins on July 1, 2010. According to Rosen, 2009 was the worst year in modern budget revenue history. Not only did the income tax decline, which happens in deep recessions, but the sales tax dropped by 6% on top of a 9% drop last year.

Christie has ruled out raising taxes to close the shortfall in the current budget, and he has said he would seek targeted, rather than across-the-board cuts.

Christie Signs Executive Order Creating New Jersey Gaming, Sports and Entertainment Advisory Commission

Governor Chris Christie this week signed Executive Order 11, creating the New Jersey Gaming, Sports and Entertainment Advisory Commission. The Commission will be chaired by Jon F. Hanson, a former chairman of the New Jersey Sports and Exposition Authority (NJSEA) and real estate executive. The Advisory Commission will submit its final report and policy recommendations to the Governor, as well as the Legislature and public by June 30, 2010.

Other members of the Advisory Commission are Robert E. Mulcahy III, a former president of the NJSEA and Athletic Director at Rutgers University; Finn Wentworth, principal of Normandy Partners and Founder of the YES Network; Al Leiter, the former Major League Baseball pitcher and YES Network commentator; Wes Lang, managing director of WML Partners, LLC, a New Jersey private equity investment and development company; Debra P. DiLorenzo, president and CEO of the Chamber of Commerce of Southern New Jersey; and Robert Holmes, a law professor at Rutgers School of Law in Newark, where he serves as Deputy Director of Clinical Programs and Director of the Community Law Clinic.

The Advisory Committee is charged with developing recommendations for the Governor for a comprehensive, statewide approach to the issues and financial needs of New Jersey's gaming,

professional sports and entertainment industries. Chief considerations would be long-term stability of those industries, New Jersey's economic interests and a commitment to the responsible use of state resources to the benefit of its citizens.

The Executive Order also amends an Executive Order of the prior administration, which created a horse racing commission to recommend funding solutions for that industry by July 1, 2010. Governor Christie's amendment requires that those recommendations, if they are forthcoming, be made available for to the Advisory Commission by April 1, when the Corzine commission would be dissolved and its work superseded.

Legislative Calendar

This week Senate Group 3 and 4 Committees met on February 1 and Group 1 and 2 Committees met on February 4. Next Week Senate Group 3 and 4 Committees and Assembly Group A and B Committees will meet on February 8. The Senate Judiciary Committee will hold its first hearing on Governor Christie's cabinet nominees, interviewing Attorney General nominee Paula Dow and Adjutant General of the Department of Military and Veterans' Affairs nominee Glenn Rieth.