

Murphy signs \$46.4B budget that ‘moves our state forward’

By Katherine Landergan

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New Jersey Gov. Phil Murphy on Tuesday signed a record \$46.4 billion state budget for the fiscal year that begins July 1 during a ceremony that showcased unity with some of the same fellow Democrats he’s sparred with in the past.

“This is a budget that pays our bills, meets our obligations and invests in a brighter future,” Murphy said minutes before signing the spending plan at the Ross Street School in Woodbridge. “This is a budget to build a stronger, fairer New Jersey that works for every family. Most of all, this is a budget that moves our state forward.”

The signing ceremony reflected the different nature of this year’s budget season. Murphy and all 120 seats in the Legislature are on the ballot in November, and the governor and Democrats who control the two chambers negotiated a spending plan quickly and almost entirely behind closed doors.

Unlike past years, when budget negotiations have been rife with infighting and gone down to the wire, and threats of government shutdowns loomed, this year’s package was signed, sealed and delivered with a day to spare.

Part of the reason was that the state was flush with billions of dollars in extra cash due to better-than-expected tax revenues and \$6.2 billion in federal relief funds. Democrats also agreed to borrow \$4 billion last fall. That resulted in a final package that included not only the state’s first full payment into its notoriously underfunded pension system — \$6.9 billion, a \$505 million increase from what Murphy originally proposed — but also \$3.7 billion for paying down debt, or avoiding future debt.

The budget for fiscal 2022 includes up to \$500 in nonrefundable income tax rebates to hundreds of thousands of families, expands the Homestead rebate program and increases funding for special education, rental assistance and to help reopen child care centers, among other things. It also sets aside billions in surplus.

Murphy was joined at Tuesday’s signing by the full cast of Democrats who worked to finalize a budget bill, including Senate President Steve Sweeney, Senate Budget Chair Paul Sarlo (D-Bergen), Assembly Speaker Craig Coughlin, Assembly Budget Chair Eliana Pintor Marin (D-Essex) and Treasurer Elizabeth Maher Muoio.

Sweeney, whose relationship with Murphy has been contentious at times, joked with the governor about how the spending plan fulfills some of his top goals.

“Governor, you fulfilled a dream of mine. I know that’s scary. I know you’ve gotta be thinking, ‘Oh, shit,’” Sweeney said. “But we’re making the full pension payment.”

Pintor Marin said the budget not only makes the right investments, but is one Democrats negotiated together.

“All of us here, we keep saying that we’re very proud of the budget,” she said. “I think this is the one year that all of us really came together.”

Republicans condemned Democrats for participating in an opaque budget process — the final bill wasn’t available until just minutes before it was voted out of committees in both chambers. Senate Republicans also called on Murphy to explain the hundreds of millions in legislative add-ons before signing the budget.

“The public has a right to know how their money is being spent,” Republicans on the Senate budget committee said in a letter to the governor. “Alternatively, if their governor approves hundreds of millions of dollars of what appears to be pork without knowing what it is and without a basis for why it is worthy of their tax dollars, they have a right to know that too.”

Democratic lawmakers pushed back during Tuesday’s ceremony, with Sweeney declaring, “it’s not pork, it’s people”

“I love our critics when they yell pork. Those numbers equate to people,” Sweeney said. “We’re making investments.”

Coughlin echoed those comments.

“When I look at the budget, I don't really see a lot of line items. What I see are life-changing impacts for investments in communities and in their future.”