



December 17, 2020

The Honorable Governor Philip D. Murphy  
Governor of New Jersey  
PO Box 001  
Trenton, NJ 08625

The Honorable Senate President Steve Sweeney  
New Jersey Senate President  
PO Box 099  
Trenton, NJ 08625

The Honorable Assembly Speaker Craig Coughlin  
Speaker of the General Assembly  
PO Box 098  
Trenton, NJ 08625

*VIA ELECTRONIC MAIL*

Dear Governor Murphy, Senate President Sweeney, and Assembly Speaker Coughlin:

The For The Many coalition has long advocated for reforming and reining in New Jersey's broken corporate tax subsidy programs.

We were appalled at the findings of the independent task force the governor commissioned last year to investigate the Economic Development Authority and the Economic Opportunity Act of 2013.

The task force's findings, combined with independent investigative reporting, made clear that New Jersey's corporate tax subsidies had robbed the state Treasury of billions of dollars with little-to-no return on investment for the average taxpayer.

That is why we are so surprised by the sheer size of the new corporate tax subsidy legislation that was announced on Tuesday.

This bill is far too big, and it is moving far too fast. Fast-tracking billions of dollars in new corporate tax breaks through the Legislature in less than a week will not allow the public, press, policy experts, or advocates time to adequately vet such a comprehensive and costly proposal.

If this bill is as good as your statements suggest, we ask that you demonstrate it through a transparent and public process. Anything less threatens to undermine

confidence in our elected leaders' commitment to good government and transparency.

While we recognize that the bill does contain safeguards designed to prevent the fraud and abuse that occurred under the Economic Opportunity Act, as well as wage protections and worthy goals like tackling the problem of food deserts and brownfield remediation, the \$11.5 billion price tag obviates these reforms and threatens to bankrupt our state.

The sky-high caps in this bill are even larger than what the state spent under the Economic Opportunity Act and would cement New Jersey's standing as a national outlier in corporate tax subsidy spending.

New Jersey and its taxpayers simply cannot afford adding billions of dollars in foregone revenue, especially now in the middle of a global pandemic and recession that has stretched state government to the breaking point.

Earlier this year, Economic Development Authority CEO Tim Sullivan warned that corporate tax subsidies should be viewed the same way as expenditures, and that "Every dollar we spend on something is a dollar we can't spend on something else." We could not agree more with this sentiment.

Continuing to award corporate tax subsidies at this scale doubles down on a failed strategy of trickle-down economics. Instead, New Jersey should emphasize a bottom-up approach to economic development that empowers traditionally disinvested communities across our state.

We strongly urge you to take this bill off the fast-track, allow the public to properly scrutinize it, and rein in the price tag of this proposal.

Sincerely,

American for Prosperity - New Jersey  
Anti-Poverty Network of New Jersey  
Clean Water Action  
Cooper River Indivisible  
Environment New Jersey  
Food & Water Watch  
Good Government Coalition of New Jersey  
Hudson County Central Labor Council  
Hudson County Progressive Alliance  
IFPTE Local 194  
Indivisible Cranbury  
Indivisible NJ 5<sup>th</sup> District  
League of Women Voters of New Jersey  
Lutherans Engaging in Advocacy Ministry NJ  
Make the Road New Jersey  
New Jersey Citizen Action  
New Jersey Institute for Social Justice  
New Jersey Policy Perspective

New Jersey Work Environment Council  
New Jersey Working Families  
New Labor  
NJ 11<sup>th</sup> For Change  
NJ-08 For Progress  
Our Revolution – Essex County  
Our Revolution – New Jersey  
Rutgers AAUP-AFT  
Save Our Schools  
Sierra Club NJ  
SOMA Action  
South Jersey Progressive Democrats  
South Jersey Women for Progressive Change

*For The Many is a statewide coalition of more than 30 organizations working to expand funding for essential services and improve budget practices to meet current and future needs, especially for communities that have been historically marginalized.*