

Politics will factor heavily as legislative session begins

By Carl Golden | Posted: Tuesday, January 13, 2015 3:00 am

When the 2015 legislative session convenes today, politics will weigh more heavily than usual on its deliberations. Consider:

The findings of the federal investigation into the lane closures at the George Washington Bridge are expected in the early months of the year.

Two major issues involving the expenditure of billions in taxpayer money — restoring the Transportation Trust Fund and covering the shortfall in the public pension system — must be addressed.

The Assembly stands for election in November.

Gov. Chris Christie is expected to reveal whether he'll seek the Republican presidential nomination.

Potential gubernatorial candidates in both parties will seize the opportunity to emerge as early favorites.

Political considerations are common during any legislative session, but it is unusual for such a number with long-range implications to be present in a condensed time frame.

Christie will deliver his State of the State message to the Legislature at its opening session, followed about six weeks later by the submission of his administration's 2016 fiscal year budget.

Key elements in both will be acknowledgment of the looming collapse of the Transportation Trust Fund and the crisis created by an \$80 billion unfunded liability in the pension system.

It's a near given that rescuing the trust fund will involve a tax increase in some form. In an election year, legislators react to discussions of tax increases like Dracula to the crucifix.

An early consensus has emerged to include a gasoline tax increase in a comprehensive reform package, including revisions in other taxes, such as estate, inheritance or real estate transfer levies.

Reluctant legislators could be swayed to support a gasoline tax hike while seeking revenue from other sources and softening the impact through cutting or eliminating other taxes.

No such consensus has surfaced to deal with the shortfall in the public pension system. The hard lines drawn when the governor withheld some \$2 billion in contributions to the fund remain.

Both Christie and legislative Democrats prefer to emerge from this confrontation politically intact and claim credit for developing a long-term solution to what has become a chronic fiscal dilemma.

