



NEWS

AMERICANS FOR TAX REFORM

1920 L Street, NW • Suite 200 • Washington, DC 20036
202.785.0266 • Fax 202.785.0261

WWW.ATR.ORG

FOR IMMEDIATE RELEASE
5 JULY 2006

CONTACT: John Kartch
Elizabeth Karasmeighan
202-785-0266

The Garden State Could Have Stayed Open Without a Full Budget Passing

Passage of continuing resolution would have prevented the government from shutting down during budget negotiations

WASHINGTON – The Garden State made national news over the weekend as the state government officially shut down with no budget agreement reached by July 1st. As a result, casinos, parks, beaches, and Motor Vehicle Commission offices are closed. Although Gov. Corzine (D) today called the situation “deplorable,” in reality he could have prevented this situation in the first place.

To avoid a government shutdown, legislators and the governor could have approved a budget which funds the government at fiscal year 2006 levels as a temporary stop-gap. Given that tax revenues are growing so fast, the budget would be generating a surplus and thus would be consistent with the Supreme Court’s *Lance v. Codey* decision. At the same time, the government would continue to operate while legislators and the governor continued working on a budget agreement. Once that agreement is reached, the original budget could be amended with the massive tax and spending increases the governor has called for.

“What is ‘deplorable’ is that Gov. Corzine just shut down the government when this situation could have been easily avoided with a simple stop-gap measure,” said Grover Norquist, president of Americans for Tax Reform (ATR). **“He is holding government services hostage as a negotiating ploy to enact \$1.5 billion of tax increases to pay for \$2 billion of new government spending.”**

New Jersey has raised taxes more than any other state in the country since 2002, raising taxes each year. While most states are cutting taxes, New Jersey is again seeking to raise taxes by an additional \$1.5 billion this year. Americans for Tax Reform calculates this will raise the cumulative total to \$1,951 per person, nearly double the second highest taxed state in the nation. New Jersey does not have a revenue problem and the government shut down indicates terrible governance.

“The government shutdown is really about egos and Democrat infighting and as a result the state’s casinos and beaches are closed,” continued Norquist. **“It’s no wonder 60,000 residents left the state last year in search of a more functional and taxpayer-friendly government.”**

Americans for Tax Reform (ATR) is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal, state and local tax increases. For more information or to arrange an interview, please contact John Kartch at (202) 785-0266 or at jkartch@atr.org.

###