

May 1, 2024

Dear Members of the New Jersey Legislature,

The Chamber Alliance, a coalition convened by the New Jersey Chamber of Commerce and consisting of the state's local and regional chambers of commerce, write to express our serious opposition to the Governor's Fiscal Year 2024-2025 proposed State Budget, which is harmful to the business community and will result in a negative ripple effect on our state's economy. The combined membership of the cosigned chambers encompasses a large share of the New Jersey Business Community.

Due to the Corporate Transit Fee our largest employers, who are also our biggest non-profit philanthropists, are being saddled with a completely unwarranted tax increase – the dollar amount of which is more punitive to those affected than the recently expired CBT surcharge. It is simply a more egregious and expensive extension of the surcharge. As a result of the Buck a Truck tax, one of the fastest growing segments of our economy, the logistics industry, is being slapped with what can only be described as a nuisance tax, which will increase costs for all New Jersey residents.

In addition to that, several state agencies that have been extremely helpful to the business community are having funding cuts. The budget will provide less support to an already overtaxed and over-regulated business community. Those agencies being cut are the New Jersey Economic Development Authority, New Jersey Business Action Center, and The New Jersey Small Business Development Centers.

The biggest threat to our state right now is the future of our economy. Right now revenues are trending down, while expenses are going up. Yes, we have had several bond increases, yes we have jumped to No. 19 in the CNBC "Best States for Doing Business" poll, but none of that has been produced by a strong, growing, vibrant business climate. It was accomplished with Federal COVID dollars and bond proceeds.

What do we need to do?

Look no further than what the bond rating agencies said in all of their reports. We must create recurring, reliable, organic, growth-oriented sources of income to continue to maintain the economic prosperity of New Jersey. The only way to do that is through a growing, vibrant, and attractive business economy. This budget is in opposition to all of that. It begins to reverse the economic momentum we have. It also hurts our reputation as a business-friendly state. It also creates a lack of confidence for our business leaders that the state will not follow through on commitments they have made. And, it makes our state more expensive and less competitive.

The Coalition issues the following recommendations:

- Reinvest the \$6 billion dollar surplus as opposed to letting it sit idle. We should use this money before adding new taxes.



- Remove the Corporate Transit Fee. The \$1 billion can easily be found in a \$56 billion budget through a surgical approach looking at all budget categories. An additional tax on corporate revenue, is not a stable source of funding.
- Eliminate the “Buck a Truck” Tax. It is a \$10 million add to the budget, in a \$56 billion budget. The funds raised from this tax will be a drop in the bucket and will undermine economic growth.
- Restore the money to the Economic Development Authority, the Business Action Center and the Small Business Development Centers.

Our economic future needs to be addressed in this budget. As currently stated, it is void of that. This is an opportunity that we cannot waste. This business community has been asking for these things for years and we need to begin to look at ways to fund those. We must pivot to begin to create a stronger economy. You cannot grow anything unless you feed it. We are not only NOT feeding the business community, we are starving it. With that in mind, we urge you to oppose these proposed measures in the budget and support measures that will strengthen the business community, ultimately strengthening New Jersey.

Best,

African American Chamber of Commerce of New Jersey
 Asian Indian Chamber of Commerce
 Burlington County Regional Chamber of Commerce
 Cape May County Chamber of Commerce
 Capital Region Minority Chamber of Commerce
 Central New Jersey Regional Chamber of Commerce
 Chamber of Commerce Southern New Jersey
 Cliffside Park Chamber of Commerce
 Cranford Area Chamber of Commerce
 Eastern Monmouth Area Chamber of Commerce
 Gateway Regional Chamber of Commerce
 Gloucester County Chamber of Commerce
 Greater Atlantic City Chamber of Commerce
 Greater Ocean Township Chamber of Commerce
 Greater Toms River Chamber of Commerce
 Greater Union Township Chamber of Commerce
 Greater Vineland Chamber of Commerce
 Greater Woodbury Chamber of Commerce

Hohokus Chamber of Commerce
 Hudson County Chamber of Commerce
 Hunterdon County Chamber of Commerce
 Jersey Shore Chamber of Commerce
 Mahwah Regional Chamber of Commerce
 Matawan-Aberdeen Chamber of Commerce
 Meadowlands Chamber of Commerce
 Monmouth Regional Chamber of Commerce
 Morris County Chamber of Commerce
 New Jersey Pride Chamber of Commerce
 New Jersey State Chamber of Commerce
 New Jersey State Veterans Chamber of Commerce
 North New Jersey Chamber of Commerce
 Ocean City Chamber of Commerce
 Princeton-Mercer Regional Chamber of Commerce
 Rutherford Chamber of Commerce
 Salem County Chamber of Commerce
 Somerset County Business Partnership
 Suburban Chamber of Commerce
 Sussex County Chamber of Commerce
 The Great Westfield Area Chamber of Commerce
 Waldwick Chamber of Commerce

