

GOLDEN: Compromise needed to replenish transportation fund

Carl Golden 3:02 p.m. EST December 6, 2014

As negotiations proceed to craft a legislative package to rescue the Transportation Trust Fund, it will be crucial for those involved to understand that whatever they recommend will be seen in the context of the anti-tax environment created and sustained by Gov. Chris Christie for the last five years and its impact on his possible presidential candidacy.

Christie cracked the door open to consideration of an increase in the gasoline tax with his "everything is on the table" declaration in discussing the need to replenish the fund.

His comment set off a flurry of speculation about the effect of a tax increase on his prospects should he decide to seek the Republican presidential nomination. He is, after all, the governor who, upon taking the oath of office in January 2010, pledged unyielding opposition to new or increased taxes.

He has returned to that theme in town hall meetings and his State of the State and budget messages to the Legislature. He staged a public ceremony to veto a reinstatement of the income tax surcharge on wealthy New Jerseyans and repeated his action twice more since.

Now, though, with the Transportation Trust Fund on the brink of collapse, Christie is in a tight spot. No last-minute tinkering at the margins will produce the revenue necessary to replenish the fund, an amount that could reach as high as \$2 billion.

Most other funding options are limited or non-existent; borrowing hundreds of millions of dollars is costly financially and optimistic revenue projections led to budget shortfalls, the gaps were hastily filled by diverting funds from other sources, cutting spending, and pushing spending obligations into the next fiscal year.

Similar moves to rescue the trust fund will come up short. The needs are simply too great and the available revenue sources too meager. The atmosphere is ripe for compromise.

Christie does not want to be the governor who presided over the death of the fund, nor does he have any desire to sign a tax increase without assurances the money will be dedicated to a modern transportation network that he can point to as a signature administration accomplishment. He may be restricted by the anti-tax environment he's nurtured, but he can't be imprisoned by it.

It is crucial for the Democratic legislative leadership to avoid sending him a take-it-or-leave-it tax increase proposal. They should know by now that the governor's bite is as bad as his bark. Forcing a veto would be a serious mistake and give Christie the opportunity to feovould b .0003 TwPublic skeptic)8.2(sm)8(c)8.24n be overco

potential national candidacy. Whatever actions he takes while he mulls his future will be seen in that light.