



Opportunity NJ GPS for an Affordable New Jersey

This is a working Opportunity NJ document from which the Affordability Summit White Paper was synthesized from. Some of the items below are potential targets and discussion points that impact ONJ's Four Pillars, based on input from our Affordability Summit on Sept. 17, 2017. Other targets will be added based on submissions from interested parties.

FOUR PILLARS

TAX REFORM

Goal: Reform New Jersey's tax structure to be fair, equitable, and competitive with states within our region and those looking to attract our companies and our residents.

- Property Tax must be considered a crisis issue
 - There needs to be an analysis of cost drivers for property tax
 - Acknowledge that education is a major driver of property taxes
 - Address and reform school aid funding
 - Seek innovation in the delivery of education
 - Online education to share courses across districts
 - Internships and experiential learning
 - State contracted prices drive up costs; allow local purchasing where cheaper than the contracted price
 - Consolidation of government
 - Conduct analysis to make recommendations to limit levels of government (state, county, local, commissions, school districts, etc)
 - Revamp current laws that are disincentives for consolidation
 - Incorporated areas (There should be a minimum person limit to be considered a municipality)
 - 55% of municipal taxes go to the county
 - Consolidation of Services
 - When individuals retire don't replace them
 - Limit and share supervisory high ranking jobs
 - Cost benefit analysis of local services
 - Consolidation of costs
 - Costs of services varies greatly between townships
 - Analyze the cost of construction in New Jersey
 - Increased costs because of need for approvals from differing local, county, and state level regulations



- Establish a simplified unified system housed in one place and accessible by all levels of government (permitting in the cloud)
- Create workable affordable housing requirements
- Eliminate “housing” fees on non-residential development.
- Disallow the use of state funds for anything other than what the money in the fund is intended for
- Identify a sustainable funding source for the State Pension crisis
 - Privatize/monetize state assets
 - Sell state property and reinvest proceeds
- **Other taxes:**
 - Estate and inheritance taxes;
 - Pension and retirement income;
 - Tax rates on business, including the Gross Income Tax and the Corporate Business Tax;
 - Deconflict and address tax code anomalies, including the taxation of services on tax-exempt products, such as certain business software & manufacturing equipment;
 - Advocate for a charitable contributions deduction on the Gross Income Tax;
 - Maintain comprehensive tax reform changes of 2011 and 2016
- Analyze “best practice tax models from other states (Massachusetts)and countries (Tax Reform Czar)
- Creation of public-private relationships and partnerships
- No new taxes without equitable tax fairness in exchange
 - Defeat any effort to amend the constitution to mandate state or government employee pension payments
 - Ensure comprehensive plan to offset any new gas tax with tax relief in other areas
 - Defeat any attempt to raise or create a “Millionaire’s Tax”, which is a tax on small business
- Advance Tax Credits to stimulate the economy
 - Aggressively encourage the utilization of incentives in the Economic Opportunity Act to attract jobs and investment OR
Revamp the EOA.....to do the following more specifically:
 - Explore opportunities for new tax credits to stimulate innovation
 - More focus on small business
 - Ways to do so:
 - PILOTS and tax advancements
 - Subsidize 30-40% of the cost to hire an intern or a “first time job employee”



- Student loan forgiveness (work X number of years for the same company located in New Jersey and receive X amount in student loan forgiveness)
 - Incentives or credits for job training and workforce development
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INFRASTRUCTURE

Goal: Comprehensive long term infrastructure planning and investment across all critical infrastructure.

Transportation

- Long-term funding for transportation projects through a fiscally responsible and constitutionally mandated funding source
- Bonding for capital improvements only; ensuring that ordinary operations and maintenance is funded through the state's operating budget
- Long-term asset management plans with aligned funding
- Bolster our transportation system to effectively move goods and people across the state; ensuring that projects are planned, executed, and completed on schedule
- Create strategies to ease congestion:
 - Work from home incentives
 - Increase HOV lanes
 - Land Use strategies
 - Allow towns to plan and implement their own projects instead of applying for grants
 - Incentives for businesses that want to move to NJ around transit areas; spread out corporate headquarters along train lines
 - Prioritize stranded assets - rebuild, repurpose, live work play mentality in order to cater to millennials
 - Alternative ways to move goods - get trucks off roads, move by water instead
 - Better investment in mass transit infrastructure and incentives for people to use it
- Innovation
 - Invest in autonomous trucks
 - Invest in electric vehicle charging stations
 - Invest in smart cities, complete streets

Other Critical Infrastructure



- Stimulate and encourage investment in water, power and sewerage – particularly maintenance, reinforcement and upgrades of existing infrastructure, as well as newly required projects
- Energy infrastructure
 - Economic analysis of the role of renewables
 - Wind power - huge potential market, opportunity to be a leader
 - Solar- assess current market
 - Put electricity underground so that it's not damaged by weather
 - Dredging
- Ensure that planning and investment supports economic growth, health and safety
- Streamline and coordinate the process for upgrading our “hidden” infrastructure on the local and state levels to reduce the timeframe for realization of critical projects

One Comprehensive funding source/bank

- Streamline the maze of agencies and funding sources associated with infrastructure maintenance and investment into one division under Treasury
 - List of Agencies
 - Department of Transportation
 - Department of Environmental Protection
 - Board of Public Utilities
 - NJ Turnpike Authority
 - NJ Transit
 - South Jersey Transit Authority
 - NJ MPOs
 - NJ Transportation Planning Association
 - South Jersey Transportation Planning Organization
 - Delaware Valley Regional Planning Commission
 - Other
 - List of Funding Sources
 - Transportation Trust Fund
 - NJ Environmental Infrastructure Trust
 - Energy Resiliency Bank
 - Economic Development Authority (though not really infrastructure)
 - Other
 - Ensure project prioritization; utilize criteria like EIT

Public private partnership

- Examples- PENNDOT and NJDOT’s Bergen-Hudson rail line
- Need legislation that allows DOT to let private companies build public assets



- Allow government to pay to use private property verses owning property and maintaining it themselves
 - A private company can build a rail line and the government can pay to use it
- Allow businesses to invest in public transportation

WORKFORCE DEVELOPMENT AND JOBS

Goals:

Ensure that NJ's future workers are workforce ready with technical and employability skills being articulated throughout the education life cycle.

Emphasize skill building among NJ's current workforce especially among low wage positions in order to raise skills that will in turn raise salaries

- Ensure collaboration among academia, business and government to advance workforce readiness (Post-Secondary Education Taskforce)
- Establish a strategic plan for K-16 education so that the state resources are utilized in an efficient, effective and conscientiousness manner.
 - Conduct an asset mapping exercise to determine where there are best practices, resources, strong partnerships, etc. are
- Promote quality career and technical education opportunities that prepare students for careers as well as college
 - Expand career and technical education offerings to students during grade and high school
 - Actively remove stigmas associated with middle-skill careers and the education associated with obtaining those careers
 - Focus on emerging technologies that don't require a Bachelor's Degree and seek to incorporate that training into curriculum
 - Educate students
 - Educate parents
 - Educate guidance counselors
- Improve standards and hands-on learning opportunities for students to help them develop the necessary employability and technical skills
 - Promote the teaching of soft skills and career education as early as grade school
 - Focus curriculum on career readiness skills as well as college readiness
 - Ensure higher education curricula includes training and resources that prepare students for employment
 - Increase emphasis on apprenticeships and internships so students can earn while they learn



- Connect student skills and interests to careers (on-line assessments already available). Need a true assessment of student skills and interests and should be conducted multiple times in their educational career.
- Train teachers in what is relevant in the workforce and make the connection between academic content and real world application
 - Common Core has a college and career readiness component, but it is not tied to teacher performance
- Establish a list of career pathways in growth industries and indicate skills/education/certification required for each along with a clear direction for individuals interested in pursuing them.
 - Include pathways for stackable credentials to ensure affordability and accessibility
- Expand public and private school choice, and the capacity of charter schools, which give options for students in failing schools
- Ensure workforce training programs are efficient and employer centric
- Incentivize workforce training programs through grants or tax credits
- Expand public-private partnerships to build labs and training centers at community colleges for vo-tech schools to offer dual credit courses
- Create a center of excellence around a specific industry and create the best training facility for it in the country
- Address the issues of attractability and affordability of NJ Higher Education
- Promote and expand initiatives like the recently-announced Rowan Work & Learn Consortium, which combines education and job training to create degree programs to address the most in-demand labor areas in New Jersey.

REGULATORY/POLICY MAKING REFORM

Goal: Ensure a policy making process that targets responsible economic growth and removes unnecessary regulatory hurdles.

- Establish a comprehensive strategic plan for responsible economic growth
 - Transform the current State Plan into a strategic document that targets growth areas and provides resources for economic growth in those areas.
 - New Jersey needs a long-term sustainable plan as opposed to simply operating yearly
- Reset the state's policy making process to ensure adequate input, transparency and data.
 - Codify the current Governor's Executive Order 2 into law to ensure continuation of the regulatory stakeholder process in future administrations
 - Standardize definitions, rules and regulations on businesses in keeping with the federal government.
 - Address regulatory issues in a comprehensive holistic manner across different departments, agencies and levels of government.



- Ensure advance notice of proposed rulemaking involving a major or high-impact rule, a negative impact on jobs and wages rule, or a rule that involves a different legal or policy issue arising out of statutory mandates
- Require that any state agency adopt a rule only on the basis of the best evidence and at the least cost
- Ensure a public hearing before the adoption of any onerous rule
- Conduct a formal analysis of the cumulative impacts of regulations that affect job creation and regional competitiveness.
- Require a detailed and rigorous accounting of the direct and indirect costs of rules, including the impact on jobs and on low-income households;
- Streamline permitting, especially on projects that need multiple permits from multiple state agencies;
 - Continuation of Red Tape Review Commission and Business Action Center (one stop permitting coordination).
 - All government entities should convert to new technologies with ability to pull information from the same pool – permitting, contracting, incentives and applications
 - Benchmark regulatory requirements municipality by municipality, other states and countries and adopt best practices across the board
- Neutralize unexpected costs on businesses – permitting, fines, inspections
- Make the state friendlier to privatization that will increase response time and reduce onerous regulations
- Transparency of the bid review. Allow residents and business to check the bid outcome process
- No new mandates on businesses that would make NJ less competitive in attracting or retaining jobs
 - Wage and hour mandates
 - Benefits mandates
- Consolidate various incentive and assistance programs throughout various state agencies under one easy-to-navigate umbrella