

# N.J. stimulus bill aimed at creating jobs

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**STAR-LEDGER STAFF**

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New Jersey businesses and developers are getting more incentives to combat the bad economy under a stimulus bill Gov. Jon Corzine signed into law yesterday.

The measure seeks to encourage job creation, urban and commercial development and advance college campus improvements, among other goals.

"Without a doubt, the current global economic crisis has presented us with of one of our greatest challenges, but it is also one of our greatest opportunities," Corzine said during a bill-signing ceremony in Newark.

"This smart-growth legislation will be the catalyst for an increase in jobs, construction projects and investment opportunities that will not only benefit Newark's residents, but all of New Jersey," said state Sen. Ray Lesniak (D-Union), a sponsor of the bill.

But the stimulus measure also allows some towns to establish new consumer taxes in the middle of a recession. And it comes at a time when taxpayers, thanks to state budget cuts, are carrying the weight of cutbacks to many state programs, including property tax relief.

"At a time when people are losing their jobs and struggling to pay their bills and important services are being cut, giving massive subsidies that won't really create jobs is unconscionable," said Jeff Tittel, director of the New Jersey Sierra Club.

The bill is also fueling concerns about accountability after last week's widespread corruption arrests by the U.S. Attorney's Office. Unlike the federal stimulus initiative, the state effort does not require recipients of the tax breaks and other incentives to meet any new standards on transparency in exchange for government help.

"What's worse is that no one knows how much we might lose, meaning no one knows the kind of cuts to programs and staff that might be necessary as a result of this law," said Naomi Mueller Bressler, policy analyst for New Jersey Policy Perspective, a liberal Trenton think tank.

The governor disagreed with the bill's critics, saying the final version, which passed both houses of the Legislature on June 25, found the right balance.

"If we're fortunate enough to get so much construction and development going that we run out of tax credits, I think that's a problem we'd be more than happy to live with," Corzine said. "We would end up having the kind of job creation and economic growth that would be a luxury I think most of the citizens of New Jersey would go for."

"I really don't think there's too many concessions to the developers as long as you're guarding against the kind of development New Jersey doesn't need," said Newark Mayor Cory Booker.

Newark is one of nine towns where tax credits will be offered for job creation near train stations. The city will also be allowed to raise cash for redevelopment by taxing car rentals at Newark Liberty International Airport.

"The finished products are going to create a multiplier effect of generating tax revenue for a city that's strapped," Booker said.

Tittel, meanwhile, said his organization is considering filing a lawsuit to block the new law from going into effect on the grounds that it violates the state constitution. Corzine's office said it is confident a legal challenge would fail.

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