

ASSEMBLY BILL NO. 4810

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I herewith return Assembly Bill No. 4810 without my approval.

This legislation would codify in the Office of the Governor a mechanism which is nearly identical to the "Red Tape Review Group" established over a decade ago by former Governor Christie in Executive Order No. 3 (2010). The Red Tape Review Group was charged with assessing the effects of State rules and regulations and Governor's Executive Orders on the State economy and whether their costs and other burdens outweigh their intended benefits, and to make recommendations to rescind, repeal, or amend any provisions that unduly burden business and workers. This bill would establish a strikingly similar "Government Efficiency and Regulatory Review Commission" ("Commission") to make comparable assessments for all proposed and adopted rules and regulations and operative Executive Orders issued by the Governor.

The Commission would be comprised of the following nine members: (1) the Chief Innovation Officer, or designee, who shall serve as chair of the Commission; (2) the Executive Director of the New Jersey Business Action Center, or designee; (3) the Chief Counsel to the Governor, or designee; (4) the Commissioner of Environmental Protection, or designee; (5) the Commissioner of Labor and Workforce Development, or designee; (6) the President of the Senate, or designee; (7) the Speaker of the General Assembly, or designee; (8) the Senate Minority Leader, or designee; and (9) the General Assembly Minority Leader, or designee.

Among its duties, the Commission would be required to review all proposed and adopted rules and regulations and operative Executive Orders issued by the Governor to assess their potential or actual effects on the State's economy and determine whether their costs and

other burdens on businesses, workers, and local governments outweigh their intended benefits. The Commission would be further required to provide an annual report to the Governor and the Legislature which would contain recommendations to repeal, rescind, or amend any rules and regulations or Executive Orders that unduly burden the State's businesses, workers, and local governments.

I applaud the sponsors for seeking to eliminate unnecessary and counterproductive rules and regulations. To be clear, I share that goal, and since taking office, I have directed all State entities to remove bottlenecks and identify and use the best, most innovative, and least burdensome tools and approaches to achieve their regulatory goals. I am confident that under this Administration, the officials identified to serve on the proposed Commission would bring a thoughtful and balanced approach to regulatory issues.

However, this legislation would establish a permanent commission, enshrined in law, that would exist not only under my Administration, but also under future administrations. Under an administration ideologically opposed to regulation, this Commission could easily morph into a forum that seeks to undermine long-standing common-sense regulations that are designed to protect workplace safety, the environment, and public health. It is for that reason that more than thirty labor and environmental organizations, including the CWA, SEIU, United Steelworkers, NJEA, AFT, New Jersey Citizen Action, New Jersey Working Families, Clean Ocean Action, Environment New Jersey and the New Jersey Sierra Club, have urged an absolute veto. The organizations are rightly concerned that the Commission could disrupt the regulatory process and impact the timely adoption of regulations.

These organizations also note that the Commission's mission is redundant as agencies already review rules for their economic impact. In fact, agencies are required by law to comply with substantial

information and analytical requirements in proposing and adopting administrative rules and regulations. And should an administration overstep in proposing rules or regulations, the Legislature possesses the constitutional authority to invalidate or compel the amendment of rules and regulations proposed and adopted by State agencies.

Simply put, there is no need to revitalize a Christie administration-era commission that my predecessor set up to illustrate his commitment to slashing regulatory protections to a national audience. While I fully acknowledge that certain members of that commission, including members of the Legislature, approached these issues in a reasonable manner, some of the commission's efforts -- particularly those dealing with environmental rules -- drew criticism. I disbanded that commission in part because of this history of distrust, and do not want to bequeath to my successors a permanent tool that many consider inherently anti-regulatory. If future Governors want to follow Governor Christie's example and set up their own Red Tape Review Commission, they are free to do so, and the residents of New Jersey can appropriately judge their motives and priorities when they take that action.

Accordingly, I herewith return Assembly Bill No. 4810 without my approval.

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Respectfully,
/s/ Philip D. Murphy
Governor

Attest:

/s/ Parimal Garg
Chief Counsel to the Governor