

## Governor Phil Murphy

# Governor Murphy Delivers Keynote Address at the New Jersey Conference of Mayors Annual Conference

04/13/2023

### Remarks As Prepared for Delivery

Good afternoon, everyone.

Thank you for the invitation to be with you once again.

My thanks, first, to Conference of Mayors President and Bethlehem Mayor Paul Muir for that introduction and welcome.

As you know, Mayor Muir, you have some big shoes to fill taking the helm after Mayor Janice Mironov! But just as she and I and my team had a good working relationship over the past year, I look forward to your partnership.

To New Jersey Conference of Mayors Executive Director Kerry Kirk Pflugh and her team ... congratulations on putting together another terrific annual conference.

And, of course, thank you to all the sponsors and vendors whose support makes this one of the state's most impactful conferences.

I must note that I have caught on to a repeating theme whenever I come down to Atlantic City for a convention – I'm always scheduled to speak right before everyone eats.

Now, I'm not sure if this is done to keep you all in your seats in anticipation of food, to ensure I keep my remarks brief in your anticipation of receiving food, or to prevent me from being drowned out by the sound of silverware hitting plates as you pay more attention to your food.

But, regardless, I'm going to do my best to not want you to throw your food – and to also ensure it is at least slightly warm by the time it gets to you.

I must also give a shout out to Atlantic City Mayor Marty Small for his efforts to ensure that this city is always ready to not only welcome his colleagues from up and down the state, but the millions of visitors who come here from around our nation and world.

And, finally, I do wish to add my congratulations to today's award honorees – Mayors Mironov and Tim McDonough ... Senate Minority Leader Steve Oroho and Senator Bob Smith ... and Assembly Minority Leader John DiMaio and Assemblyman Dan Benson.

I have already mentioned this with regard to Mayor Mironov, but I have had the pleasure to work shoulder-to-shoulder with each honoree.

Mayor McDonough has been a tremendous leader on any number of issues vital to our communities.

It is not a stretch to say there's no one in the Legislature better versed in the ins and outs of environmental policy and its impacts on local governments than Senator Smith. And Assemblyman Benson has brought to bear all he learned as a member of the Hamilton Township Council to help enact sensible policies that benefit our local communities.

And even though when it comes to Minority Leaders Oroho and DiMaio we may find ourselves more head-to-head than shoulder-to-shoulder, they each bring important viewpoints to our policy discussions.

But, as you all know, the overwhelming bulk of the work of government is done with zero regard to partisan allegiance. And in this time of extreme hyper-partisanship, our ability to work on bipartisan solutions to the challenges we face – and, perhaps, even nonpartisan ones – sends a strong signal to people we all represent.

At the end of the day, our constituents just want to know we have their backs.

And, as a case in point, I am proud to amplify today's announcement by the Department of Community Affairs, under the great leadership of Lieutenant Governor Sheila Oliver, of \$25 million in awards to 352 municipalities through the state's Local Recreation Improvement Grant program.

These funds will help these communities upgrade a whole host of amenities for active and passive recreation, from building and maintaining biking and hiking trails to updating and improving playgrounds and other outdoor facilities.

I congratulate every community which is being awarded one of these grants and I thank my colleagues in the Legislature who worked with me to more than double the total amount available for these grants in the current budget – from \$11 million to, as I mentioned, \$25 million.

By working in partnership with these communities, we're going to see these projects undertaken without the need to ask property taxpayers to pony up more of their hard-earned money. This is a good thing, because we all know that, right now, affordability is front-and-center of so many of our residents.

And because affordability is front-and-center of their minds, I've put it front-and-center of the budget I proposed, and that the Legislature is currently reviewing.

From record investments in our public schools – from pre-K onward – to more assistance to our business community to grow jobs, and so much more, my budget is designed to build what I am calling the Next New Jersey – a New Jersey that is as good as its word and where every family can see themselves in our collective future.

We're already seeing the benefits of this mindset. As you are aware, in the past week, we received a second set of credit-rating upgrades from Moody's, Fitch, and S&P.

These upgrades – which gives us six in roughly one year – would not have happened without the efforts we've put forth to secure our state's fiscal standing. From building a strong surplus to meeting our long-term obligations, most importantly to our long-neglected pension system, we're proving that New Jersey is once again a good bet for investors.

And you all know the importance of a higher credit rating, too. It means that when we partner with you to build new roads or bridges or other critical infrastructure and facilities, we save money, which in turn saves our taxpayers money.

And when we save money, we can put those savings to work to do even more. That's good news for everyone.

I will echo what I said in my budget address – as proud as I am to get these upgrades, I'm not going to sit back for one moment. I realize that we have a way to go to get back to the New Jersey of nearly five decades ago which boasted a AAA rating, but I am committed to seeing us inch closer and closer back to that benchmark.

This administration has accomplished so much that both conventional wisdom and the talking heads said we'd never accomplish. We're proving them wrong, and I remain committed to continuing to prove them wrong.

For example, I am equally committed to maintaining the historic investment we have made in the ANCHOR direct property tax relief program – a program which roughly 1.7 million middle-class and senior homeowners and renters are benefiting from right at this moment.

We were told for years that real property tax relief was unobtainable, or in the few times it was offered, unsustainable. Again, we're proving the naysayers wrong.

As you know, I have proposed maintaining our \$3 billion overall investment in middle-class and senior property tax relief for next year – along with other measures to save our constituents even more money.

This is especially true for our seniors with my proposed expansions of both the successful and popular PAAD and Senior Gold and Senior Property Tax Freeze programs.

Affordability, overall, is fairness for our residents and families.

But beyond this, I want us to prove that we believe in being fair to our business community, as well.

And I know this is of special importance to you. Thriving downtowns and healthy business environments are critical to each of your communities and to your own bottom lines – and to our state's.

We know New Jersey is the ideal place for any business. It's our advantageous location. It's our talented and skilled people.

And it is the hundreds of welcoming and caring communities – communities with strong values – that companies look to when looking for places they know their employees will be proud to call home.

When we prove that we live by this principle of fairness, we do better. When we prove that we're as good as our word, businesses will find New Jersey even more enticing.

This is why, for example, the budget I proposed will sunset the temporary corporate business tax surcharge.

And it is also why I am committed to reforming our state's confusing and unfair liquor license law.

And it is why I am equally proud to announce that 90 mayors have already signed-on as charter members of Mayors for Liquor License Reform to help us advocate for much-needed change.

These mayors represent more than one million residents of historic small towns, growing townships, and mid-sized cities.

But most important, they represent hundreds of small restaurants whose owners are being left out – and whose investments in their establishments are being left at-risk – because they do not have access to the liquor license that can allow them to better compete and stay in business.

They understand that patent unfairness of our current liquor law regime and the significant local economic benefits that our proposed reforms would bring.

And I want to take a moment to let a few of them speak as to why this is important to their communities ...

I am thankful to the mayors who just put this effort into their own words. They see the impact of our broken system at ground level.

Beyond them, I think each of you know what ultimately is at stake here.

There cannot be a mayor in New Jersey who doesn't recognize that when a single liquor license – when one is actually available – will go for upwards of one million dollars, it is the small restaurants in their communities that will be shut out from the bidding. It is the small family-owned bistro on Main Street that is going to be shut out nearly every single time.

That is not what I would consider fair.

There isn't a restaurant owner I have met who doesn't know how a liquor license can improve their business' long-term health and viability. That means fewer vacant storefronts and fewer revolving doors of restaurants trying, and failing, at the same location.

I look at a community like Hillsborough, Somerset County, as a key example of how our system is failing our small business leaders. Hillsborough is home today to 42,000 people. It is a fast-growing and diverse community. And, under Mayor Sean Lipani, is trying to create a more Main Street feel for residents.

Hillsborough has a total of eight active liquor licenses. That's right. Eight.

I also look at a community like Bay Head. Mayor Bill Curtis counts fewer than 1,000 full-time residents in his borough – but in the summer that swells many times over.

Anyone care to guess how many active licenses are in Bay Head? If you guessed one, you're right.

Both Bay Head and Hillsborough perfectly illustrate how our population-cap based system of awarding liquor licenses is failing.

Now, I have heard from any number of corners that the problem here isn't the law necessarily, but the number of inactive "pocket" licenses peppered around the state. Simply force those licenses back into circulation, they say, and the problem will be fixed.

Well, no.

Yes, getting pocket licenses out into the open is in and of itself a good thing – and our proposal provides a way to do that, alongside comprehensive reform. But reactivating pocket licenses alone does absolutely nothing to correct the key problem inherent in our current law – and that is pervasive and forced scarcity.

It's the law of supply and demand playing out on Main Street.

Moreover, there are not enough pocket licenses in the state to meet the market need for new licenses. Put another way, merely releasing pocket licenses won't do anything to close down the secondary market that has allowed licenses to reach such atmospheric price tags in the first place.

Returning a pocket license to circulation means that the deep-pocketed investor who lost out in the last bidding will try again.

And it means the small-business owner will once again be locked out.

We have seen time and again how scarcity and the secondary market have failed in other areas. For example, these forces conspired against fans of Taylor Swift and Bruce Springsteen to send summer concert ticket prices into the stratosphere.

It's the same principle in effect. And it isn't fair.

When we remove the population cap we close the secondary market and we create a level playing field for all restaurant owners.

Now, surely, I am sensitive to those owners who have invested heavily to receive their licenses. I understand this. This is why my proposal includes a targeted tax break for these owners.

First off, we know that license holders make between 20 to 25 percent more in profits, income that essentially pays off their investment over time.

But, in addition, these more-recent license purchasers also receive tax benefits by virtue of the fact that under current tax law they can fully amortize the value of their license across 15 years.

Yet there is one part of our current law that I do actually agree with – it's the stipulation that a liquor license is not property. Right there in black-and-white. N.J.S.A. 33:1-26.

That's a legal distinction I fear a lot of folks are forgetting.

The fear of competition isn't a legal reason to stifle competition and fairness. Those aren't my words – they are the Appellate Court's from more than 35 years ago.

And since I'm in a roomful of mayors, let me also reiterate what my proposal will ultimately replace the population-cap system with – community values. Under this system, it will be mayors and councils, working together with residents and businesses, deciding how many liquor licenses is the right number for the community.

I once again thank the 90 mayors who have already stepped forward to be part of this effort to make our restaurant industry more vibrant, stronger, and more diverse.

And there is room for everyone in Mayors for Liquor License Reform. This effort is a marathon and not a sprint. I'm focused on getting this right.

And I would ask any of you willing to stand on the side of fairness and of our small business owners – from the multi-generational family-owned eateries to the inventive and ground-breaking restaurants being opened by visionary young chefs – to join us.

All this speaking of restaurants nearly made me forget that lunch is still in the offing!

So, with this, I will conclude.

But, as I do, allow me to once again express my great and deep appreciation to the New Jersey Conference of Mayors for being a single voice through which our municipal leaders speak.

I thank you for your partnership.

I thank the many of you who, from both sides of the aisle, who have welcomed me into your communities to visit, to share good news, and to console residents during their dark times.

I know it isn't easy being a mayor. I know local issues can often be tougher to deal with that statewide ones. But I also know how much esteem I hold for each and every single one of you.

So, as I thank you for indulging me, I thank you for all you do in your communities. Our state would not be New Jersey without your efforts.

Thank you all. I wish you nothing but the best going forward.

## Governor Phil Murphy

[Home \(/governor/\)](/governor/)

**Administration**

[Governor Phil Murphy \(/governor/admin/about/\)](/governor/admin/about/)

[Lt. Governor Sheila Oliver \(/governor/admin/lt/\)](/governor/admin/lt/)

[First Lady Tammy Snyder \(/governor/admin/fl/\)](/governor/admin/fl/)

[Murphy \(/governor/admin/cabinet/\)](/governor/admin/cabinet/)

[Cabinet \(/governor/admin/cabinet/\)](/governor/admin/cabinet/)

**Key Initiatives**

[Economy & Jobs \(/governor/initiatives/#Economy\)](/governor/initiatives/#Economy)

[Education \(/governor/initiatives/#Education\)](/governor/initiatives/#Education)

[Environment \(/governor/initiatives/#Environment\)](/governor/initiatives/#Environment)

[Health \(/governor/initiatives/#Health\)](/governor/initiatives/#Health)

[Law & Justice \(/governor/initiatives/#Justice\)](/governor/initiatives/#Justice)

**Social**

[Facebook \(https://www.facebook.com/govmurphy/\)](https://www.facebook.com/govmurphy/)

[Twitter \(https://twitter.com/GovMurphy\)](https://twitter.com/GovMurphy)

[Instagram \(https://www.instagram.com/govmurphy/\)](https://www.instagram.com/govmurphy/)

[Snapchat \(https://www.snapchat.com/add/philmurphy\)](https://www.snapchat.com/add/philmurphy)

[YouTube \(https://www.youtube.com/njgovernorsoffice\)](https://www.youtube.com/njgovernorsoffice)

## Statewide

**NJ Home**

[\(/www.nj.gov\)](http://www.nj.gov)

**Services A to Z**

[\(/www.nj.gov/njgov/njgov/alphaserv.html\)](http://www.nj.gov/njgov/njgov/alphaserv.html)

**Departments/Agencies**

[\(/www.nj.gov/njgov/deptserv/\)](http://www.nj.gov/njgov/deptserv/)

**FAQs**

[\(/www.nj.gov/faqs/\)](http://www.nj.gov/faqs/)

**Contact Us**

[\(/www.nj.gov/nj/feedback.html\)](http://www.nj.gov/nj/feedback.html)

**Privacy Notice**

[\(/www.nj.gov/nj/privacy.html\)](http://www.nj.gov/nj/privacy.html)

|  |   |   |                                      |
|--|---|---|--------------------------------------|
| Office of Health Care                              | Transportation  | <b>Contact Us</b>                         | <b>Legal Statement &amp;</b>         |
| Affordability and                                  | (/governor/initiatives/#Transportation)                       | Scheduling Requests                       | <b>Disclaimers</b>                   |
| Transparency                                       |   | (/governor/contact/scheduling/)           | (//www.nj.gov/nj/legal.html)         |
| (/governor/admin/affordablehealthcare/index.shtml) | <b>News &amp; Events</b>                                      | Contact Us                                | <b>Accessibility Statement</b>       |
| Boards, Commissions &                              | Press Releases  | (/governor/contact/all/)                  | (//www.nj.gov/nj/accessibility.html) |
| Authorities  | (/governor/news/news/562022/approved/news_archive.shtml)      | Photos                                    |                                      |
| (/governor/admin/bca/)                             |   | (https://www.flickr.com/photos/govmurphy) |                                      |
| Internship Opportunities                           | Public Addresses  |   |                                      |
| (/governor/admin/internship.shtml)                 | (/governor/news/addresses)                                    |   |                                      |
| Governor's Residence -                             | Executive Orders  |   |                                      |
| Drumthwacket                                       | (/infobank/eo/056murphy/approved/eo_archive.html)             |   |                                      |
| (http://drumthwacket.org/)                         | Administrative Orders   |   |                                      |
|  | (/governor/news/ao/approved/ao_archive.shtml)                 |   |                                      |
|  | Direct Appointments   |   |                                      |
|  | (/governor/news/appointments)                                 |   |                                      |
|  | Advice and Consent  |   |                                      |
|  | Appointments  |   |                                      |
|  | (/governor/news/acappointments)                               |   |                                      |
|  | Statements on   |   |                                      |
|  | Legislation   |   |                                      |
|  | (/governor/news/statements/approved/statements_archive.shtml) |   |                                      |
|  | Administration Reports  |   |                                      |
|  | (/governor/news/adminreports/approved/archive.shtml)          |   |                                      |
|  | Transition Reports  |   |                                      |
|  | (/governor/news/reports/approved/reports_archive.shtml)       |   |                                      |
|  | Press Kits  |   |                                      |
|  | (/governor/news/press)  |   |                                      |

(//nj.gov/opra/)

Copyright © State of New Jersey, 1996-2023  
Office of Governor PO Box 001  
Trenton, NJ 08625  
609-292-6000

(https://my.state.nj.us/openam/UI/Login)

(https://tech.nj.gov/)