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C O M M I T T E E M E E T I N G

before

SENATE REVENUE, FINANCE AND APPROPRIATIONS COMMITTEE

SENATE BILL Nos. 3742, 2831, 2840, 2986, 3743, 2828, 2839,  
3744, 2837, 2856, 3745, 2838, 2858, 3746, 2841, 2857

(Legislation Dealing With Tax Sunsetting and Repeal)

December 12, 1991  
10:55 a.m.  
Committee Room 9  
Legislative Office Building  
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Senator Laurence S. Weiss, Chairman  
Senator Gerald R. Stockman, Vice-Chairman  
Senator Wynona M. Lipman  
Senator Robert Menendez  
Senator Walter Rand  
Senator Daniel J. Dalton

ALSO PRESENT:

David J. Rosen  
Office of Legislative Services  
Aide, Senate Revenue, Finance and  
Appropriations Committee

\* \* \* \* \*

Meeting Recorded and Transcribed by  
Office of Legislative Services  
Public Information Office  
Hearing Unit  
162 West State Street  
CN 068  
Trenton, New Jersey 08625

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LAURENCE S. WEISS  
CHAIRMAN  
GERALD R. STOCKMAN  
VICE-CHAIRMAN  
WYNONA M. LIPMAN  
ROBERT MENENDEZ  
WALTER RAND  
RONALD L. RICE  
JOHN H. EWING  
ROBERT E. LITTELL  
HENRY P. McNAMARA



New Jersey State Legislature  
SENATE REVENUE, FINANCE  
AND APPROPRIATIONS COMMITTEE  
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COMMITTEE NOTICE

TO: MEMBERS OF THE SENATE REVENUE, FINANCE AND  
APPROPRIATIONS COMMITTEE  
FROM: SENATOR LAURENCE S. WEISS, CHAIRMAN  
SUBJECT: COMMITTEE MEETINGS - December 11 and 12, 1991

*The public may address comments and questions to David J. Rosen,  
Committee Aide, or make bill status and scheduling inquiries to Sharon Birch,  
secretary, at (609) 984-6798.*

The Senate Revenue, Finance and Appropriations Committee's meeting on December 9, 1991 was recessed and the committee will reconvene Wednesday, December 11, 1991 from 10:00 a.m. until 2:00 p.m. and Thursday, December 12, 1991 at 10:00 a.m. in Committee Room 9, Legislative Office Building, 135 West Hanover Street, Trenton to consider the following bills:

S-3742  
Weiss  
(pending intro)

Sunsetts the provisions of P.L.1990,, c.40,  
concerning the taxation of certain sales  
and uses.

S-2831  
Laskin

Decreases sales and use tax rate from 7%  
to 6%, repeals certain impositions,  
restores certain exemptions.

S-2840  
Zimmer

One year after corresponding increase,  
imposition or repeal thereof, returns  
sales and use tax rate to 6% from 7%.  
ends certain impositions, and restores  
certain exemptions.

S-2986  
Littell

Decreases sales and use tax rate from 7%  
to 6%, repeals certain impositions,  
restores certain exemptions.

(OVER)

Issued 12/10/91

|                                    |   |
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| S-3743<br>Weiss<br>(pending intro) | Sunsets the "Petroleum Products Gross Receipts Tax Act."  |
| S-2828<br>Bubba                    | Repeals the "Petroleum Products Gross Receipts Tax Act."  |
| S-2839<br>Zimmer                   | Provides that the 2 3/4% tax on the gross receipts from the sale of certain petroleum products shall expire on June 30, 1991.   |
| S-3744<br>Weiss<br>(pending intro) | Sunsets tobacco wholesale sales and use tax imposition and cigarette excise tax increase, restores cigarette wholesale surtax.  |
| S-2837<br>Zimmer                   | "Sunsets" after one year the provisions of P.L.1990, c.39, concerning the taxation of cigarettes and other tobacco products.  |
| S-2856<br>Bassano                  | Repeals the wholesale sales and use tax on certain tobacco products, decreases the excise tax on cigarettes to a rate equivalent to \$0.19 per pack of 20, imposes a surtax on the wholesale price of cigarettes. |
| S-3745<br>Weiss<br>(pending intro) | Sunsets gross income tax rate increase beginning July 1, 1992, and reduces personal deduction for dependents.   |
| S-2838<br>Zimmer                   | Limits to one year gross income tax rate increases, dependent's exemption increase and revised homestead property tax rebates.  |
| S-2858<br>Dorsey                   | Repeals increases in gross income tax rates, the "Homestead Property Tax Rebate Act of 1990," and provides certain property tax relief rebates, deductions and credits previously repealed.                       |
| S-3746<br>Weiss<br>(pending intro) | Sunsets alcoholic beverage excise tax increases, restores alcoholic beverage wholesale sales tax rate and imposition.   |
| S-2841<br>Zimmer                   | Decreases the excise tax on alcoholic beverages, increases the tax on wholesale sales of alcoholic beverages one year after corresponding increase and decrease thereof.  |
| S-2857<br>L. Brown                 | Repeals increase in excise tax on alcoholic beverages, reimposes alcoholic beverage wholesale sales tax and reestablishes revenue allocation to Alcohol Education, Rehabilitation and Enforcement Fund.           |

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NOTE: Subject bills available through the  
Office of Legislative Services Bill Room.

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mjz: 1-17



SENATOR LAURENCE S. WEISS (Chairman): Good morning. I'm sorry we are so late this morning. It seems like a lot of people are very excited, and we have to give them a chance to calm down a bit. I would like to start this morning with a roll call.

MR. ROSEN (Committee Aide): Senator Weiss?

SENATOR WEISS: Present.

MR. ROSEN: Senator Stockman?

SENATOR STOCKMAN: Here.

MR. ROSEN: Senator Lipman?

SENATOR LIPMAN: Yes.

MR. ROSEN: Senator Menendez?

SENATOR MENENDEZ: Present.

MR. ROSEN: Senator Rand?

SENATOR RAND: Here.

MR. ROSEN: Senator Dalton?

SENATOR DALTON: Here.

MR. ROSEN: Senator Ewing? (no response) Senator Littell? (no response) Senator McNamara? (no response) You have a quorum.

SENATOR WEISS: Thank you. We do have a quorum.

Senator Dalton, I would like to welcome you this morning. Senator Dalton is replacing Senator Rice, who could not be here this morning. Senator Dalton was appointed to the Committee, I do believe, on Monday.

SENATOR DALTON: That is correct.

SENATOR WEISS: Thank you again, Senator, for your indulgence and for showing up today.

We do have one witness who showed up this morning. Somehow he missed the call for yesterday and the day before, but I am sure that-- He is here now and available, and he is going to make his testimony as brief as possible and right to the point. Ray?

R A Y K A L A I N I K A S: Yes. Ray Kalainikas, Dover Township, commonly referred to as Toms River.

SENATOR WEISS: Wait. Let me see if I can get some feedback out of one of these mikes. Okay.

MR. KALAINIKAS: I am happy to see the Democrats are in favor of repealing the tax package. Prior to the election, I was receiving from the Republican side, week after week, brochures in my mailbox accusing the Democrats of the \$2.8 billion tax increase, and it was one brochure after another, leaving me with the impression that the Republicans were about to repeal the tax package immediately, and they would encourage the Democrats to do so, even before they would take office. So I was very, very surprised to see the Republican party taking the position it is taking. It seems very hypocritical to me. I am basically opposed to taxation. I would like to see taxation replaced by payment for services rendered and accepted in voluntary cooperation, as the proper means of running government.

So, to some extent, I am even disenchanted with the so-called tax groups. Hands Across New Jersey accepts the notion of taxation. To me, taxation is legal theft, and if you are truly antitax, you are willing to take that position. I take note of the fact of Sam Perelli -- Taxpayers United, I believe is his association-- I was very surprised to see that he is opposed to repealing this tax package. Again, it seems, to my own eyes, very hypocritical for him to make that kind of a statement, and at the same time call himself a representative of citizens basically opposed, I would think, to overtaxation. I would like to say taxation in general, but I guess not.

It seems to me -- and this is the statement I would like to make -- as a result of my past experience-- During the Vietnam War, I happened to take a position against the war on grounds of Christianity. I was very active in opposing the war. I discovered, to my surprise at the time, that our own

government was very active in opposing those who were against the war. In 1974, Seymour Hersh broke a story in The New York Times called, "Operation Chaos," in which our own government basically infiltrated every group of Americans imaginable for the purpose of seeing that anybody opposed to the power structure basically was undone. It was not uncommon for our government to create its own antidraft and antiwar groups with that intent, and it was not uncommon for them to infiltrate any group of Americans that was opposed to government policy.

As I listened to various tax groups today claiming to represent the people, it is very reminiscent of what I ran across when I opposed the Vietnam War. So I have to begin to ask, and I hope Americans begin to ask, and citizens of New Jersey begin to question and to ask, how genuine are some of these tax groups? Who and what do they really represent? I think this has to be asked, particularly since Mr. Perelli made the statements he made recently, and I think, in view of the fact that these tax groups are not really opposed to taxation. That leads me to some distress on my part. It is reminiscent of "Operation Chaos," which I think is still going on in this country. I do not think it has ceased. I think the government still infiltrates labor groups, the media, academia, for the sole purpose of seeing that any movement contrary to government policy is put into check. So, the question is: Do we really have a genuine antitax group in New Jersey?

That is all I would like to say. I sincerely hope that you do vote to repeal the \$2.8 billion tax package in Committee today; that you vote to have it out of Committee. I hope it goes to the floor, and I hope it is signed by the Governor. That is all I would like to say, Senator Weiss.

SENATOR WEISS: Thank you, Mr. Kalainikas. I appreciate the brevity of your remarks.

We may have a long morning. I am not really sure at this point. However, there are on the calendar this morning --

on the agenda -- a number of bills. Those bills have been merged with other bills of a similar nature that have been sponsored by other legislators. As is the habit in this Committee, that is always done. If there are two bills that are similar, they are then merged together. We have such a list, and I do believe that that list is reflected and it is on the agenda.

So the packet is of five bills the Committee members have. In fact, they have looked at the bills. They know what is in the bills. They have been around now for some time. I understand that some Committee members want to make some statements. After they make their statements, we will vote the bills out, and I will call the numbers. I would like to vote them out as one packet, since they really are one packet.

The bills that are going to be voted on this morning are: Senate Bill No. 3742, with the inclusion of Senate Bill No. 2831, Senate Bill No. 2840, Senate Bill No. 2986. Then it's Senate Bill No. 3743 by the Chair, including Senate Bill No. 2828 and Senate Bill No. 2839; Senate Bill No. 3744, and that will include Senate Bill No. 2837 and also Senate Bill No. 2856. Then go on to the fourth bill by myself, Senate Bill No. 3745. That will include Senate Bill No. 2838 by Senator Zimmer and Senate Bill No. 2858 by Senator Dorsey. Also, the fifth bill is Senate Bill No. 3746 by the Chair. That will also include Senate Bill No. 2841 by Senator Zimmer and Senate Bill No. 2857 by Senator Brown. I think you all have the list. If you haven't, we will supply you with the list.

On the bills, any member have anything they would like to say? (no response) If not--

**SENATOR MENENDEZ:** Mr. Chairman?

**SENATOR WEISS:** Oh, okay. Senator Menendez, go right ahead, sir.

**SENATOR MENENDEZ:** Mr. Chairman, thank you. I am going to ask your indulgence for a few moments -- minutes actually.

SENATOR WEISS: That's okay. After you are finished, I have a few things I would like to say also.

SENATOR MENENDEZ: Okay, simply because of the nature of the vote we are about to take.

For the last two years, Mr. Chairman -- almost two years since this tax package has passed, we have been traveling through an odyssey that has culminated into this moment of decision. I say "an odyssey" because the long road that we began on nearly two years ago to provide for property tax relief and education aid, led to the scorn of the very people we provided both tax relief and opportunity for.

After the last two days of hearings, I am reminded of a story about a man who was walking along the Appalachian Trail along the Kittany Ridge. He fell off the side of the Ridge and he broke his fall by grabbing onto the branch of a tree. He looked way down and saw rocks several hundred feet below, knowing that if he left go, he would surely die. He started yelling up above the Ridge, "Is anybody there? Can anybody help me?" The response was silence. He yelled up again, "Is anybody there? Can anybody help me?" and again he heard no one.

Then he started to pray. It came to a point where after he prayed, he yelled up again, "Is anybody there? Can anybody help me?" And from up above a very deep voice said, "Yes, my son, I am here." The man looked up in amazement and said, "Is that you, Lord?" and the Lord said, "Yes." The man said, "Can you help me?" and the Lord said, "Do you have faith?" The man said, "Yes, yes, I have faith," and the Lord said, "Let go of the limb of the tree."

The man looked down below -- at the rocks down below, hundreds of feet below, and look back up and said, "Is there anybody else there who can help me?" (laughter) Well, that man, Mr. Chairman, lacked faith. Similarly, many of the people we have heard from in the last several days who testified here,

and others who have not, lacked faith in some of what we are doing.

Now, in some part we are all responsible a little bit for that lack of faith. Democrats missed the boat upon inheriting a half-a-billion-dollar deficit from Governor Kean, and a Supreme Court mandate that didn't get the message across about a State that was ill and needed strong medicine to help to cure it. You can't give medicine to someone if they don't think they are ill.

Then there are our Republican colleagues, who won't even face the very New Jerseyans who heard and bought their message of total repeal of the \$2.8 billion tax program. I believe they shamed their party, themselves, the Senate, and New Jersey by their absence in this moment of deliberation and decision, as they collect a public check and willingly fail to represent their views, even if it is to be critical of the present Majority, and mock the repeal they spent two years calling for. They do a disservice to their views, their constituencies, and the people who believed that they would stand for that which they spoke for.

I, too, must admit, Mr. Chairman, that I have lost faith with the very organizations which, as public policymakers, approved the tax package publicly -- disapproved the tax package publicly -- but privately acknowledged that all or some of it was necessary, or who, in their silence, joined the conspiracy of deceiving the general public about the realities facing decision makers. I have lost faith with those who vigorously opposed the \$2.8 billion tax package, campaigned for the repeal, and advocated for revenge at the polls, but today are the counsels of patience and uncertain delay.

But I believe we have a unique opportunity, Mr. Chairman, to win back some of the faith of New Jerseyans. That opportunity exists now in this lame duck session. There are those who say that lame duck is dead duck, but I don't believe

that New Jersey taxpayers paid us 12 months of a salary to only work for 10 months. I believe the opportunity to restore the faith of our people can be accomplished by sunseting all of these taxes -- the bills before us.

Now, as I have tried, in the last two days -- with your patience, Mr. Chairman-- As I have attempted to have the people who came before the Committee be intellectually honest and state their true motives, I would like to heed my own admonition. I am ready today to vote for the sunset of the tax package, as advocated by: Hands Across New Jersey, the New Jersey Taxpayers Association, the New Jersey Restaurant Association, and the New Jersey Committee Against Regressive Taxation, among others, but for a different reason than theirs.

The tax policy that, in this case, was built on a foundation that many are convinced was flawed because of process, and whose foundation was further eroded by the calculated message delivered by candidates who will compose the new Majority, that these taxes were not needed and should be repealed in their entirety, is a foundation upon which we cannot build. There are those of us, like myself, who do believe in the general public policy that was promoted by the tax relief and education package. We believe that the only way to build a foundation upon which the goals of property tax relief, municipal overburden, and educational inopportunity can survive and flourish, would be by sunseting these present taxes and bringing the new Republican Majority out of the drunken stupor of their election rhetoric and into the reality of how they intend to pay for many of the things the present Republican Minority has voted for.

Republicans in both the Senate and the Assembly voted for elements of the tax relief package, but didn't vote for a way to pay for those programs. Fifty-three percent of the Senate Republicans and 75% of Assembly Republicans voted for the State takeover of county psychiatric hospitals, but not one

of them voted for a way to pay the bill. Seventy-three percent of Assembly Republicans voted for the State takeover of municipal welfare, as did nearly 50% of the Senate Republicans, yet not one of them voted for a tax to pay the bill. Even on the density bill, where prominent Republicans -- Senators and Assemblymen -- voted for the bill, not one voted for a way to pay for the bill.

Now, assuming that Republicans would obey the law and responsibly follow the Supreme Court's mandate in Abbott v. Burke, that, too, even in its most restricted form, would have meant about another \$500 million. Add these programs up, along with the Abbott v. Burke mandate, and the stated position of support for Homestead Rebates, and we have a Republican party that supports at least half of the \$2.8 billion tax program, but didn't vote for one penny to pay for it.

Of course, if they believe, as many of their Republican mayors believe, that moneys to municipalities are necessary to hold down property taxes, then the figure comes pretty close to the \$2.8 billion that we passed. It is the action of these votes that were taken and recorded -- which I have copies of -- coupled with their rhetoric, which leads me to believe that what the new Republican Majority is telling us is that, "Hey, we have a better way, a more equitable way of funding these programs." Now, whether their mechanism for funding these programs is different taxes or greater budget cuts, I don't know. But the sunseting of these taxes provides for all of New Jersey to understand what the new Republican Majority stands for; for what they believe government should do for its citizens, what programs survive, which are executed, how to pay for those programs, as well as who pays for those programs.

By doing this now, we give the new Republican Majority an additional six months to the almost two years of public debate that has gone on over the tax package, to determine what

public policy and what tax policy they propose. Within six months, the end of this fiscal year and the start of the new one, we will, with certainty -- something I have heard the business community say they want -- know what government will provide for us as citizens, how we will pay for it, and who will pay for it.

Finally, there are those, including hordes of people who call for repeal, who say that this action is irresponsible. This action can only be made irresponsible if the new Republican Majority, along with the Democratic Minority, does not meet its obligations to our State and all of its people. The new veto-proof Majority can restore all or some of the taxes. They can seek new and different taxes. They can create more user fees. They can privatize some of State government. They can make deep cuts. They have a multitude of choices in terms of policy. To do nothing -- as some people have advised us we should do -- would be, I think, to accept the slow undoing of those programs and policies that have provided for property tax relief, for municipal overburden, for educational opportunity and equity, which have worked towards making New Jersey one State.

I am not prepared, Mr. Chairman, nor do I find it to be responsible, to sit back and witness the severing of vital economic lifelines to the city and people I represent. A year-and-a-half ago I voted for, and delivered property tax relief and educational opportunity and equity for the residents of my district and many other districts. Today's vote -- which I am going to cast in the affirmative -- is another attempt to bring my constituents', my taxpayers', and my children's future into the public policy decision-making that will affect their lives now, for the rest of this decade, and into the 21st century.

I want to thank you for your patience, Mr. Chairman.

SENATOR WEISS: I thank you very much, Senator Menendez. You put it very succinctly and clearly. If that is redundant, let it be so. Nevertheless, that is the way I feel.

Senator Stockman?

SENATOR STOCKMAN: Thank you, Mr. Chairman. I wish I could agree with my distinguished friend and colleague from Hudson County. I agree with much of what he said. Unfortunately, we come to different ultimate conclusions.

To start with, I am certainly not here to defend those empty chairs. I am certainly not here to defend, or deny the evidence of hypocrisy, it seems to me, that has revealed itself in the course of these hearings. I said yesterday, and I say again today, this is a difficult hearing for me to participate in, one of the last hearings I will have the privilege and honor of hearing as a Senator of this State. But it seems to me that the absence of the Republicans is a reflection of an unwillingness to face up to some of the points that have been made and debated. Arguably, they should be sympathetic to sunsetting at least one of these taxes, if they maintain the position that some of them have taken.

I want to thank the Chairman for his courtesy and patience. I know it is a difficult hearing for him. I know the issues that these bills present are difficult for him, and he has been very patient. I think it is ironic that the last speaker, who was given his full force-- Mr. Kalainikas appeared before this Committee to be heard, and described taxation as legal theft. I am sure that he believes that, and there may be some people listening to this statement who believe that. I know no member of this Committee believes that. While that is the beauty of America, the openness and the freedom we have to debate these things, the Republicans don't want to participate. Nevertheless, that is a far cry from common sense.

Senator Menendez raises the argument that we've got to have faith in the new Legislature. I want to have that faith, but it seems to me that if we had that faith, and we have a concern for that new Legislature, giving them a new slate, a clean slate, and have confidence in them, then perhaps we ought to pass a resolution urging them, as the first order of business -- the very first order of business of the new Legislature -- to sunset these bills. Let them take on that responsibility. I am not sure I would vote for that resolution, but at least it would reflect a confidence in them, if you have that much confidence, that they are going to make their way through this difficult journey properly.

I don't think, really, there are six months for them to take their actions either, because they won't be sworn in until well into January. I don't think we should encourage a situation where it comes down to a handful of days to balance the State budget, which is what it would take.

I have made my arguments to this Committee before. I don't want to belabor it. I know there is some distress about that. I also interpret this election in a different way. It is true that I, and others, probably weren't as able to reveal the seriousness of the deficit that the past Governor left Governor Florio, and it is true that we rushed, really -- we rushed what action we did without full and proper, I think, legislative participation. As I said before, I am paying a price for that, but I don't think it calls for the kind of action that these bills would take.

I think Senator Rand, or Senator Menendez, asked witnesses, understandably with great frustration, "Well, if it was good policy then, why isn't it good policy now?" or, "If it was bad policy then, why isn't it bad policy now?" The fact of the matter is, process aside, it was good policy. History will make that clear. I don't think we ought to confuse history

when voting these bills out of this Committee, and I will vote against each and every one of them.

Thank you, Mr. Chairman.

SENATOR WEISS: Thank you, Senator Stockman. Senator Lipman?

SENATOR LIPMAN: Mr. Chairman, I think Senator Menendez has covered all the bases that I would have liked to cover. I would just reiterate that I think most people were startled on election day about how many of our constituents -- New Jerseyans -- voted to repeal these taxes. I have been very startled in the past few days to listen to persons who came in to advocate for the taxes. A little while ago -- less than a month ago -- everyone seemed to want to repeal the taxes, and we heard them loud and clear. Now, there is a caution, and there is no contradiction from our Republican colleagues as to why this sudden change of heart.

However, I am going to vote as I think it is right to do. When we were putting on the taxes for the first time, I was happy to have an urban initiative. I was happy to have a promise of property tax relief. Since I represent some of the poorest citizens of the State, I thought it was right to do, and I promised that I would fight to the death for my constituents. But I do think that New Jerseyans have spoken, and that this is the right thing to do. So I will vote today for the repeal of these taxes.

SENATOR WEISS: Thank you very much, Senator Lipman, for your statement.

I don't think there are any other statements, so I will say what I have to say, and then we will call on the bills.

First, let me thank the members of this Committee for the effort they put forth in the last few days -- the last few weeks, as a matter of fact -- in contending with the myriad of telephone calls they received, the letters they received, the times they were stopped in the hallways, the requests they

granted for personal interviews, and so on. They have just been absolutely fabulous. There aren't so many of us on this Committee. Each one had a heavy load to carry, and I want to tell you something, I appreciate it.

I especially appreciate the effort by Senator Menendez. It was a yeoman's effort. Bob, I really appreciate it. The help was beyond what I expected -- much beyond -- and I thank you personally.

I thank the other members: I thank Senator Lipman for her cooperation; Senator Stockman for adding some spice to the dull life around here; and Senator Rand also. Senator Rice couldn't be here because he is in Washington at a hearing, but, nevertheless, he gave his all. I also want to thank Senator Dalton for doing something I did years ago and swore I would never do again -- volunteer. Danny, it takes a gutsy guy to volunteer. So I do thank you, individually and as a group.

Now to get to something I really want to say: I have been chastised in possibly every editorial in this State. I was chastised when they voted the taxes in in about half; I was chastised in every one when we started to vote about sunsetting the taxes. So I am somewhat ambivalent about editorials. And so much for editorials and editorial boards. I feel free, at this point, that I can say it without recrimination.

The part that really bothers me in this is, editorial boards particularly, and many of the columns, will not carry the word "sunset." They will insist that it is "repeal." Now, I have in front of me a three by five card that I have had with me continuously; it's right here. When I would start a meeting, I would read off Webster's definition of repeal, and follow that with Webster's definition of sunset, and I am going to do that now.

Perhaps some of you various people will carry it back to the boards, and maybe in some editorial column somewhere, someone will have guts enough to print that: Repeal means to

rescind or annul by an authoritative act; to revoke or abrogate by legislative enactment. That means it is finished; it's dead; it's now; it's when you vote it, as opposed to sunset, which stipulates the periodic review of government agencies and programs in order to continue their existence. It doesn't say anything about repealing. It says: "In order to continue their existence." It is a positive statement. I somehow would like to get that over to all those editorial boards, which even as late as today will not print it.

Well, maybe so, but I thought that the press has generally been fair to me over the last 14 years. I will say, yes, they have. But in this one instance, I just don't understand why people don't understand the difference between the two words.

Let me go on. In opposition to what I read in the editorial boards -- rather in the editorials -- and also in the (indiscernible) media, wherever I go -- wherever I go -- and as late as last night, and as late as this morning, as a matter of fact, people have said to me, "Senator Weiss, you are doing the right thing. You are doing the right thing. Continue it. Taxes should be looked at a second time. Everything should be looked at a second time." I went to an affair last night. I heard my name called out and I turned around. There was one lady sitting against the wall and she said, "Senator Weiss, you are doing the right thing." Now, there were at least 20 people between the two of us. I didn't expect it, but I got an ovation from them. Apparently people out there feel that this is the right thing; feel that, again, things should be looked at a second time, and not let go just arbitrarily, or not put into effect arbitrarily.

Like Senator Stockman, I, too, paid the ultimate price. So, like Senator Stockman, at this point, while being a public official, I am still in a position where I have the added attraction, Gerry, as it were, to be able to really speak

what is on my mind, and on my mind is the fact that I think we are doing the right thing. We are giving the next Legislature seven months, plus the 18 which have already passed by, a total of 25 months -- 25 months to correct what we had three months to do. Whether it was right or not, I am not really sure about all of them; probably some were and some weren't. But they have a tremendous advantage. We didn't have that advantage. We inherited an \$800 million deficit. We had to run the government at the same time, at the very same time, and how could you run government at the same time you have the big deficit and the cash flow is down? There were problems with that. You had to get the money somewhere, balanced budget notwithstanding.

The budget is not balanced once you start to spend the money and your revenue doesn't start to come in. That is just a simple fact. There are no two ways around it. You either have the money and you spend it, or you don't have the money and if you do spend it, you have a deficit. I think that has been our problem all along. It has just been a misunderstanding about how you save, how you spend. Are you cautious enough? I have advocated, for at least 10 years, that we put money away in good times. Very few listened; very few listened. We could have had, if in 1982 when I first started -- or '81-- We could have had in the bank today to defray our current fiscal situation, or make it better, at least a trillion dollars, and all of this would not have come about.

But, nevertheless, people didn't listen. Governor Kean indicated, in some forum somewhere very recently, that if he had listened, the financial condition of the State of New Jersey would not be what it is today. Consequently, the fault can go all the way back. Maybe it should go back to me, for not insisting enough, although I felt the submission of 10 rainy day funds, one each year for the years that I pushed it, was sufficient. But it wasn't signed until this year.

I still think we are right in doing what we are doing. We are giving them, those who succeed Senator Stockman and myself in the next Legislature, the right, the opportunity, if they want to take it -- if they want to take it -- of reviewing again, in their own forum, on their own playing field, without hurdles, without any obstruction in their way, of making a judgment.

I think if I were reelected under the same circumstances, I would want to make that judgment. I know what it is to make that judgment. I have made at least 12 of them. It is a tough one, and I appreciate that; and I appreciate the fact that those who are going to make it appreciate it. But nevertheless, the decision should be theirs, not ours. It should be judged by them. It should be weighed by them, and very carefully.

With that, I think I have said what I wanted to say. Just one thing, I enjoyed working with this Committee. I think we have one or two more meetings, so we will say good-bye some other time.

So with that, I will entertain a motion to move the bills. I would like to move them as one packet, since all of us understand what is in each bill. So why don't I just say, I would like to have a motion to move the five bills on this morning's agenda, the bills which I listed originally. You have copies of the agenda, so we will make such a move.

SENATOR MENENDEZ: So moved.

SENATOR LIPMAN: Second.

SENATOR DALTON: Second.

SENATOR WEISS: It has been moved by Senator Menendez; seconded by Senators Dalton and Lipman. I would like a roll call vote, please.

MR. ROSEN: Senator Weiss?

SENATOR WEISS: Yes.

MR. ROSEN: Senator Stockman?

SENATOR STOCKMAN: No.

MR. ROSEN: Senator Lipman?

SENATOR LIPMAN: Yes.

MR. ROSEN: Senator Menendez?

SENATOR MENENDEZ: Yes.

MR. ROSEN: Senator Rand?

SENATOR RAND: Yes.

MR. ROSEN: Senator Dalton?

SENATOR DALTON: Yes.

MR. ROSEN: Five yes; one no.

Senator Ewing? (no response) Senator Littell? (no response) Senator McNamara? (no response) Three not voting.

SENATOR WEISS: That bill is released from this Committee.

I want to again thank everyone for their participation, and those in the audience, also. This meeting is adjourned.

(MEETING CONCLUDED)





