

Prologue: At the Crossroads

These are not the best of times for New Jersey.

Despite New Jersey's strengths—our location so close to major markets, our diverse and talented population, our history of prioritizing education and environmental protection—the future prosperity of our state is at risk. We have, for years, refused to make the public investments needed for New Jersey's communities to thrive and, by those decisions, have squandered our potential. We must, now, face the consequences of our choices, both the pressing needs we have ignored and the continuing impacts of the 2008 recession and Superstorm Sandy.

Yet, the "crossroads" we have reached is also a time of opportunity. The election of a new governor and a new Legislature in 2017, coupled with the urgency of the issues we must confront, create a unique moment in which it will be possible to set a new, sustainable course. This is the time for us to confront New Jersey's problems head on and to seek consensus on the policies that divide us. Inaction is a "road" no longer open.

The Fund for New Jersey's Board of Trustees has directed and participated in the preparation of a series of reports aimed at informing debate in this pivotal year. As the name of the project suggests, *Crossroads NJ* builds on our state's history and values, where we have come from, and outlines the "policy choices that define our future."

The Board chose seven topics for exploration:

- State Fiscal Policy: New Jersey's state finances are in terrible shape and getting worse; today, we are unable to meet our fixed obligations or to make the discretionary investments required to promote widespread prosperity.
- Climate and Environment: Climate change threatens all of us; New Jersey's coastline, drinking water supply, air, and other precious resources must be protected or the health of our residents and our communities will suffer.
- Criminal Justice: Racial and economic inequity permeate our system, which
 delivers punishments that are more punitive than needed to keep the public safe;
 New Jersey must find ways to eliminate mass incarceration.

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- Education: Some New Jersey children go to the best public schools in the United States while others struggle to learn in highly segregated urban schools; we have an obligation, embedded in our state constitution, to remedy educational disparities.
- Housing and Land Use: The cost of housing in New Jersey is among the highest in the nation; updated land use planning and strategic investments in cities and towns will make housing more affordable.
- Jobs and the Economy: New Jersey's economy is lagging behind that of its neighbors; we must expand support for business owners and workers by encouraging innovation and growth.
- **Transportation:** Years of neglect have taken their toll on a road and rail network crucial for moving people and goods through the nation's most densely populated state; our safety and prosperity depend on revitalizing New Jersey's infrastructure.

Each of these issues, separately, affects us in different and important ways; together, they are interrelated. That is, a strong economy depends on a well-educated workforce; modernizing the state's transportation infrastructure cannot happen without getting the state's finances in order; and, good land use policy leads to a healthy environment and thriving neighborhoods that families can afford.

Since 1970, The Fund for New Jersey has focused its philanthropy on improving the quality of life in the Garden State by supporting good policy decision-making. Most of its resources are used to make direct grants to diverse nonprofit organizations across the state. The Trustees—Republicans and Democrats alike—seek clear-eyed, evidence-based, nonpartisan solutions that expand opportunities for all New Jerseyans. *Crossroads NJ* does not back a candidate, party, or ideology but, rather, presents ideas, thought through by experts, that the Trustees feel are sound and workable.

The *Crossroads NJ* reports do not offer easy answers. They are meant to convey urgency, not to discourage, to promote aspiration and action, not blame. The Fund's aim is to present a set of balanced and constructive recommendations that build a foundation for discussion. The Trustees do not presume that their recommendations are the only available options; our hope is to encourage serious debate consistent with The Fund's long-term mission.

Not every challenge facing New Jersey is under state policymakers' control. Federal policy is very much in flux and decisions made in Washington, D.C., will affect all of the states. For New Jersey, proposals to increase enforcement of immigration laws would be devastating for many of our 500,000 undocumented immigrant residents and their families and would have significant economic consequences throughout the state. Similarly, health care for more than 500,000 other New Jersey residents remains precarious while federal policies related to Medicaid and the Affordable Care Act are debated. In addition, there are threats to cut federal support for major transportation projects and clean energy programs.

This uncertainty at the federal level heightens the need for responsible and strong state policies.

New Jersey has the ability to put its fiscal house in order and to achieve constructive change. The Fund offers $Crossroads\ NJ$ as a guide to action.

Approved by the Trustees of The Fund for New Jersey. Tom Byrne did not participate in the Crossroads NJ project because he was actively considering becoming a candidate for governor.