

Governor Philip D. Murphy  
Office of the Governor  
225 West State Street  
Trenton, NJ 08625

Dear Governor Murphy,

October 13, 2022

We appreciate your commitment to action on climate change and clean energy, and your recent statements highlighting your clean energy record. We know you aim to craft a state budget that reflects that commitment. However, your final FY23 Budget continued to rely on diversions from the state's Clean Energy Fund. Doing so again in FY24 will greatly inhibit the ability of New Jersey to meet our climate goals and generate good, well-paying jobs.

**In FY2024, we must do better. We strongly urge you and your team to end these raids in your proposed FY24 state budget which will be released for your February 2023 budget address.**

The Clean Energy Program, which is supported by the Fund, is one of the more vital tools available in the state to support the transition to clean, renewable energy. Unfortunately, over the past 4 years, close to \$500 million has been diverted from the Fund to support spending elsewhere in the state budget. This comes on top of the more than \$1.5 billion raided from the Clean Energy Fund under the two terms of the previous Christie administration. The Clean Energy Fund should receive \$344 million per year, paid by ratepayers, and it is imperative that the money goes back to ratepayers in the form of cleaner electricity, lower electricity rates, and air pollution improvements. Last year's final budget continued this problematic trend by raiding \$82.5 million to go towards New Jersey Transit's operating budget, with only vague language on bus electrification.

Protecting the Clean Energy Fund in the upcoming FY24 budget is critical to expand a wide range of programs to reduce air pollution, develop clean and renewable sources of energy, lower rates and create good, family sustaining jobs. We've seen health risk directly correlated to air pollution exposure, which consistently falls along lines of race and class, meaning that raids to the Clean Energy Fund do further damage in the most overburdened communities.

We strongly support and recognize the need for dedicated funding for NJ Transit's operating budget. However, considering the availability of federal funds to support transit, continuing to use Clean Energy Funds for other purposes remains egregious. We do not want to see a reduction in NJ Transit funding, but rather believe that funds should either come from a newly created dedicated source or the General Fund. The state can fund NJ Transit while simultaneously stopping diversions from the Clean Energy Fund.

We respectfully remind you of your commitment in 2017 to, if elected, end the environmental raids of the Clean Energy Fund that began with significance during the Christie Administration as well as to create more sustainable, dedicated funding for NJ Transit. We also note that with each budget passed under your Governorship, your team has given assurances that you were working to phase out the practice of these budget diversions.

The current program provides only minimal funding for **clean energy workforce development**, a critical part of building the green economy. The initial \$2.5 million investment in the previous year's budget included programs to expand and diversify the energy efficiency workforce including: 1) Workforce Development Grant Programs for NGOs, community groups, vo-tech schools, technical training facility, Labor Union Apprenticeship Programs, and colleges and universities; 2) Incentive-based mentoring and apprenticeship programs with contractors, 3) Enhanced incentives for hiring local contractors and 4)

Support for minority, veteran, women and low-and-moderate-income owned businesses and contractors. We need to enhance these programs by investing more of the dollars currently diverted.

Now is the time to end these raids, make good on our commitments and expand the Fund's ability to create a stronger and fairer New Jersey. Given your Administration's goals, it's time to finally end these raids and to ensure the full \$344 million goes to its intended purpose. We urge you and your team to work to full fund the Clean Energy Fund and end these raids in the proposed FY24 New Jersey Budget.

Sincerely,

32BJ SEIU (Service Employees International Union)  
Action Together New Jersey  
Advanced Solar Products, Inc.  
AFT New Jersey  
Atlantic Climate Justice Alliance  
BlueGreen Alliance  
BlueWaveNJ  
Ceres  
Clean Water Action  
Drawdown NYC Metro Area  
Energy Efficiency Alliance NJ  
EJ Committee, Metuchen-Edison-Piscataway Branch, NJ NAACP  
Elected Officials to Protect America  
Empower NJ  
Environment New Jersey  
Environmental Defense Fund  
Forward Ever Sustainable Business Alliance  
Green Muslims of New Jersey  
GreenFaith  
H.E.E.P. Subcommittee, Environment and Climate Justice Committee, NJ NAACP  
Health Care Without Harm  
Health Professionals and Allied Employees  
Indivisible Highland Park  
Isles  
Jersey Renews  
Jobs to Move America  
Latino Institute, Inc.  
MnM Consulting  
Natural Resources Defense Council  
NJ Conservation Foundation  
NJ League of Conservation Voters  
NJ Policy Perspective  
NJ Progressive Energy Equity Coalition (NJPEEC)  
New Labor  
Newark Science and Sustainability Inc  
NJ Audubon  
NJ Public Interest Research Group  
NJ Sierra Club  
NJ Sustainable Business Council  
NJ Work Environment Council

NJ Working Families Party  
NY-NJ Metro Pachamama Alliance Community  
Offshore Power LLC  
Salvation and Social Justice  
South Ward Environmental Alliance  
Sunowner Inc.  
The Nature Conservancy of NJ  
Tri-State Transportation Campaign  
Unitarian Universalist FaithAction NJ  
Urban League of Union County, Inc.  
United Steelworkers District 4  
Vote Solar  
Wind of the Spirit, Immigrant Resource Center

Cc:

George Helmy, Chief of Staff  
Parimal Garg, Chief Counsel  
Dennis Zeveloff, Chief Policy Advisor  
Joe Kelley, Deputy Chief of Staff, Economic Growth  
Jane Cohen, Director, Governor's Office of Climate Action  
Lisa Almeida, Senior Counsel  
Elspeth Hans, Associate Counsel  
Preethy Thangaraj, Policy Coordinator, Environment and Energy  
Raj Bath, Outreach  
Elizabeth Maher Muoio, State Treasurer