

Opinion: Reassessing Governor Florio

By RICHARD MUTI
The Record
January 12, 2015



Former NJ Gov. James Florio

REPUBLICAN gubernatorial candidate Christie Whitman, during her 1993 campaign against Democratic Gov. Jim Florio, called Florio the “worst New Jersey governor since the son of Ben Franklin.” It’s hard to imagine a more insulting comparison. William Franklin, Ben’s illegitimate but acknowledged son, was the last colonial governor of New Jersey and a loyalist during the Revolution. Ironically, it may be Whitman, narrowly victorious in 1993, who bears history’s condemnation — she who ran on the promise to cut income taxes by 30 percent. Whitman kept that promise but failed to reduce spending by commensurate amounts; instead, she borrowed to cover revenue shortfalls — a government-by-credit-card approach that every subsequent governor found politically expedient.

Financially healthy

Under Florio, New Jersey had the nation’s highest credit rating and, among Northeast states, the strongest financial condition. Today, after eight credit downgrades in the last five years, we’re ranked 48th, ahead of just Illinois and California. Florio also was the last governor to fully fund the state pension system, now more than \$40 billion in the hole by most estimates, and he took on health care costs and welfare reform before those issues got much traction elsewhere.

Twenty-five years after taking office, on Jan. 16, 1990, Florio is remembered by some as the governor who taxed toilet paper. Seeking to remedy the structural budget deficit that still plagues us, the Florio administration, in its first year, rammed through sales and income tax increases, a double whammy that set off citizen protests not unlike the 2010 Tea Party eruptions.

Florio’s signature achievement in 1990, however, was the first assault weapons ban in the United States. It became the model, a few years later, for President Bill Clinton’s gun control law. And it earned Florio the lasting enmity of the National Rifle Association. In that same first year in office, Florio also initiated auto insurance reform, stringent clean water laws and the Quality Education Act. **One Florio staffer admitted, during a 2013 conference sponsored by the Eagleton Institute, that perhaps too much had been attempted, too early.** “We tried to do everything,” said Brenda Bacon, chief of management and planning, “probably not the best way to do it.”

Boxing, law degree

Brooklyn-born James J. Florio dropped out of high school in 1955 and joined the Navy, where he earned a GED certificate. He also

boxed, perhaps gaining some of the feistiness he would later display in the political arena. Florio's parents moved to New Jersey, and that's the state he returned to after military service. He graduated from Trenton State Teachers College, studied at Columbia University and earned a law degree from Rutgers-Camden before getting involved in politics.

In 1972, having served an apprenticeship in the Camden County Democratic machine, including a stint in the state Legislature, Florio ran for the U.S. House of Representatives, losing to the Republican incumbent. Two years later, Florio rode the post-Watergate Democratic wave to victory. He would serve in the House for the next 15 years, gaining a well-earned reputation as a policy wonk and specializing in issues crucial to his home state.

Florio sponsored federal legislation that helped Gov. Brendan Byrne preserve the Pinelands. He wrote the Superfund law, as well as clean air and water measures, at a time when medical waste washing up on Jersey beaches threatened the state's tourism industry. His environmentalist leanings were genuine, but there was a political calculation, too.

"While doing my job in Washington," Florio told NJTV correspondent Michael Aron in 2012, "I was advancing my cause in the state as well." And later, "I consciously worked to find the Jersey dimension of my national issues."

James J. Florio wanted to become governor of New Jersey.

In 1977, Gov. Brendan Byrne was in political trouble after enacting a state income tax. There was talk of his not running again. Florio approached Byrne and asked his intentions, a courtesy before challenging his party's sitting governor. Without committing himself, Byrne cannily encouraged Florio to enter the primary. More primary opponents meant a better chance for Byrne to prevail. Indeed, the incumbent governor won the 10-candidate primary with less than 30 percent of the vote (Florio finished a dismal fourth) and defeated his Republican opponent in the general election, despite having been down 17 points that summer.

Close defeat

Florio tried again in 1981, in an even more crowded primary field. With just 26 percent of the vote, he bested 12 other candidates and won the right to face Republican Tom Kean, a popular state legislator and scion of an old and respected political family. In what is still the closest statewide race in New Jersey history, Kean defeated Florio by 1,797 votes. Florio graciously conceded, without asking for a recount.

Declining to run in 1985 against the popular Kean, Florio easily won the Democratic primary in 1989 and defeated Republican Jim Courter in the general election, but, in the process, he may have sown the seeds of defeat. In a debate, Florio was asked if he would pledge not to raise taxes. He responded that he didn't see a need for new taxes. "We finessed the issue," Florio later said. That lack of candor may have fueled public anger when, less than six months into his term, he and the Democratic-controlled Legislature raised both sales and income taxes.

Inheriting a fiscal mess

The Kean administration had claimed a \$300,000 surplus in its last budget, but that turned into a \$600,000 deficit before Kean left office; moreover, a \$2 billion shortfall loomed for the next fiscal year. Florio's transition team tried to persuade the departing (and politically immune) Kean to bump the sales tax, from 6 percent to 7 percent, but Kean refused — something Doug Berman, Florio's first state treasurer, would call "an act of political cowardice." Indeed, Kean staffer David Knowlton would later admit that Florio "inherited a mess."

There was a difference of opinion on how to approach the deficits. Senate President John Lynch, already unhappy over the assault weapons law, did not want to rush into new tax measures. "You needed to choreograph this," he later said. Assembly Speaker Joseph Doria favored getting both the sales and income taxes out of the way early, putting distance between their passage and the next election. "We [didn't have a lot of time to figure out what to do," Treasurer Berman would say, years later.

In July 1990, Florio signed bills generating \$2.8 billion in new taxes, including a 1 percent sales tax increase, encompassing a wider range of goods and services, and an income tax increase, pushing the top rate from 3.5 percent to 7 percent.

The fact that just 17 percent of taxpayers would pay more in income taxes, while 83 percent were unaffected, did not diminish the ensuing firestorm.

NRA retaliation

In September, a new grass-roots organization, "Hands Across New Jersey," marched on Trenton. Administration insiders were convinced the NRA was secretly funding the group, in retaliation for the assault weapons ban, and was whipping up anti-Florio fervor around the state. That November, Whitman challenged U.S. Sen. Bill Bradley and almost beat him, thereby setting herself up as Florio's main opponent in 1993. Bradley wouldn't criticize Florio's tax increases, sidestepping the matter by saying it wasn't a federal issue, and she blasted him for it.

"I got the message," Florio would later remark, but it may have been too late. Republicans swept into control of the Legislature in the 1991 midterm elections, taking both houses by veto-proof majorities. "It was a slaughter," one Florio staffer said.

The new Republican Legislature rolled back the sales tax increase and easily overrode Florio's veto. Florio also vetoed a bill repealing the assault weapons ban. The Assembly quickly overrode that veto, too, but the Senate proceeded at a more deliberate pace, giving Florio time to organize support among teachers, medical professionals, law enforcement, and clergy. An Eagleton poll, taken one week before the Senate override attempt, showed 77 percent of the public favoring the assault weapons ban.

When the Senate vote was finally taken, in mid-March, Republican William Gormley, who had originally supported the law, stood with Florio again, and enough of the remaining Republicans abstained, thereby preserving the law.

If Jim Florio has regrets about his governorship, it most certainly would not be on any policy issue; but he and staffers admit to a lousy public relations effort. "The politics we were not great on," Florio acknowledged. His first chief of staff, Steven Perskie, would put it more bluntly: "We did some wonderful and right things. We didn't do a very good job of selling them politically."

© 2015 North Jersey Media Group