

**Budget Summary**

* **Total Budget:**  $37.4 Billion
* **Total Education Budget including pension payment:** $14.9 billion
  + $8.6 billion would be direct aid to schools (increase is about 3.5 percent increase over the current year)
  + No district will lose aid; 94% of districts will get an increase in state aid
  + Goal: to fully fund K-12 schools over the next four years
  + Funding for pre-K-12 would increase by $341 million overall
  + $283.6 million for K-12 and $57.6 million for pre-K expansion (for more than 3,500).
  + **$3.2 billion pension payment**
  + A 28% increase over last year’s contribution.
  + Larger than the total of all contributions made during the Christie Administration’s first term.
  + The  proposal includes $3.4 billion for active employee health benefits and post-retirement medical health benefits
* **Higher Education**
  + $2.4 billion in direct support for higher education and student financial aid programs
  + $50 million in new aid for community college tuition assistance for the new fiscal year.
  + Goal: to offer tuition-free community college to all by 2021.
  + This budget will fund tuition free community college for 15,000 additional students whose family incomes fall below $45,000 starting in spring 2019.
  + Funding for Tuition Aid Grants would increase $7 million; Educational Opportunity Fund by $1.5 million
* **Revenue Raisers**
  + Total revenue it would raise: $1.7 billion
  + **Millionaires Tax:** The proposed budget would increase taxes on New Jersey households earning more than $1 million a year from 8.97 percent to 10.75 percent. This change, estimated to bring in $765 million, would be retroactive to January 1, 2018.
  + **Marijuana**: $80 million in sales tax revenue from marijuana, including $20 million from expanding the existing medical marijuana program and $60 million from legalizing recreational marijuana.
  + **Sales Tax**: The proposal would raise the state sales tax from 6.625 percent to 7 percent, and expand it to include some new items like the ridesharing service Uber. This is expected to generate about $581 million. With this hike in the sales tax, Murphy is restoring the cut made by Gov. Chris Christie as part of a deal to replenish the state's Transportation Trust Fund.
  + **Closing Tax Loophole:** The proposal would close the "carried interest loophole," that allows wealthy money managers to characterize some of their earnings as lower-taxed capital gains, rather than ordinary income. This is projected to raise $100 million in revenue.
  + **Changes to Corporate Business Tax Code:** Making technical changes to the corporate business tax code to generate $110 million.
* **OTHER INTERESTING STUFF**
  + The Governor proposed a **$2 million grant program to help high schools offer college-level Computer Science courses** and to support teachers’ professional development.
  + **Raising the Minimum Wage**. This budget plans for a statewide increase to a $15 minimum wage, including an increase to $11 per hour in fiscal 2019.
  + **Raising the Property Tax Cap:** Governor Murphy supports bipartisan legislation to raise the deduction from state income taxes to $15,000.
  + **Confronting Gun Violence:** New Jersey will establish the **Center on Gun.**
  + **Violence Research:** The Governor’s budget also recommends raising firearm fees, many of which have not been updated since the 1960s.