



CAUCUS ROOM

The Wreck of the Edmund Fitz-Trenton

By Carl Golden | January 10, 2019, 10:41 am | in **Caucus Room** (<https://www.insidernj.com/category/caucus-room/>), **Columnist** (<https://www.insidernj.com/category/columnist/>)



Aside from all those searching for a magical hangover cure, most people awake on New Year's Day filled with renewed hope and optimism for the coming year; a job promotion, perhaps, or a salary increase, continued good health and selecting all the Powerball numbers correctly.

Alas, Gov. Phil Murphy wasn't among them.

As he looks to the second year of his first term, the vista is grim:

*The **sexual assault scandal** continues to be a daily embarrassment and the victim of the assault has filed a lawsuit against the Administration.

*A staffer at the Economic Development Authority resigned, claiming that she was subjected to retaliation and harassment for supporting the sexual assault victim.

*New Direction New Jersey, a political action committee run by his close allies and confidants, reneged on a promise to disclose its donors and has kept the list secret.

*Murphy admitted he solicited contributions to the PAC while governor, permissible under the law but an activity he probably should have refrained from in the interest of non-involvement.

*A **power play** is underway to depose State Democratic chairman John Currie, personally selected by the governor for the position.

*He's been accused of trading governmental appointments for county leaders' support for Currie.

*The legislative leaders have warned him that should he submit a proposed budget balanced by increases in broad-based state taxes, it is DOA.

*His two signature campaign pledges — legalized marijuana and an increase in the minimum wage to \$15 per hour — are languishing in the Legislature and prospects for compromise grow dim daily.

There's no silver lining to be found in this cloud.

The select legislative committee hearings into the hiring of Albert Alvarez as chief of staff for the School Development Authority despite allegations of rape brought against him has revealed a top-level governor's staff unable to deal decisively with the issue while scrambling madly to avoid responsibility and place blame elsewhere.

The half dozen staffers who have already testified were unanimous in their declarations that they believed the accuser, Kate Brennan, chief of staff at the Housing and Mortgage Finance Agency, who said Alvarez assaulted her in April 2017 following a campaign event.

Despite the staff knowledge of the allegations against Alvarez, he was appointed to a \$140,000 position, kept in place for four months after he was reportedly told to leave, and amazingly awarded a \$30,000 salary increase. The witnesses disclaimed responsibility for his hiring and he resigned last October after he was contacted by a Wall Street Journal reporter seeking comment on Brennan's accusation.

The testimony portrayed a staff whose primary interest lay in evading any responsibility for dealing with Brennan's accusations while pushing the decision to hire Alvarez onto someone else. Likewise, when they concluded Alvarez should be terminated, no one issued the direct order, nor did anyone follow up to assure he'd been dismissed.

A more dismal, ineffective, indecisive performance by a chief executive's staff is difficult to imagine. Once the story broke and Brennan testified before the committee, the guiding principle among the staff became CYA at all costs.

At one point, the matter was referred to the Administration's chief ethics officer, treating it cavalierly as if it was a case of a second deputy assistant to a division director accepting tickets to a Broadway show from a lobbyist rather than as a horrific crime of personal violation.

The public embarrassment can be endured, but the staff actions are perilously close to dereliction of duty, essentially pushing Brennan's accusations aside and denying her any response, much less justice.

Should her lawsuit reach a courtroom rather than be settled, the potential for even more humiliating and tawdry details to emerge is significant.

The refusal by New Direction New Jersey to disclose its financial supporters despite an earlier pledge to do so has made a mockery of Murphy's oft-repeated promise of transparency in all things governmental and political.

Despite his call for the release of the data, the PAC has refused and can do so with impunity and without legal challenge. Even in his call for disclosure, Murphy — as is his practice — attempted to divert attention and place the issue in the larger context of the need for a regulatory requirement to apply to all similar non-profit organizations.

His "we're not the only ones" rationale misses the point, perhaps deliberately so, and undermines his professed commitment to openness in matters official and political.

Realizing the mounting criticism of the PAC and the precarious position in which he was placed, Murphy announced his support for legislation to require donor disclosure and, in a rare display of comity, was joined by Senate President Steve Sweeney, (D-Gloucester) who faced his own issue when it was revealed Public Service Electric & Gas had made a substantial donation to a similar non-profit associated with South Jersey powerbroker George Norcross.

Murphy has gone all in on his support for Currie to continue as the party's chairman, actively lining up support from county leaders and legislators, an acknowledgement that a loss of the leadership position would be devastating, a personal repudiation leaving him substantially weakened as a virtual lame duck for the remainder of his term.

The move against Currie was quickly viewed as the start of a coup driven by South Jersey interests (read: Steve Sweeney Norcross), to whom control of the statewide party apparatus guarantees their interests will no longer be overlooked or be subservient to North Jersey dominance.

Murphy's recent comments that he remains committed to tax increases as the most effective way to provide sufficient revenue for his agenda has set the stage for another showdown with the Legislature, resulting in a potential stalemate and the threat of a government shutdown.

Both Sweeney and Assembly Speaker Craig Coughlin (D-Middlesex) have made it forcefully clear that a budget balanced with tax increases faces quick rejection in the Legislature.

Murphy was forced to backpedal last year on the tax issue and re-visiting it in light of the leadership warning is problematic, indeed.

He faces a steep climb in convincing Assembly members who have an eye on their election campaigns in the Fall to defy their leadership and support higher taxes. At the same time, Sweeney has proven his ability to maintain a unified caucus and will certainly do so again in any protracted budget dispute.

The continuing disagreement over marijuana legalization and an increase in the minimum wage has been an embarrassment to Murphy, highlighting his inability to negotiate a break in the deadlock and deliver on his two signature promises.

The issues have dragged on for a year while a compromise to resolve the differences remains elusive. Frustrations have mounted among the organized groups supporting one or other and they are growing increasingly restive over the continued delay. They've reminded Murphy that neighboring states are moving ahead rather quickly and certainly more smoothly than New Jersey and the state risks losing its competitive edge and the added revenue accompanying it if agreement is not reached soon.

2019 will be a time of great testing for Murphy, politically as well as on policy. He faces significant challenges, exacerbated by growing doubts that neither he nor his staff are up to the task, that their inexperience and lack of keen political feel and insight will prove an enormous drag on the Administration.

While some people awoke on Jan. 1 in search of hangover relief and others looking for brighter days ahead, still others pulled the covers back over the heads and refused to come out.

Given the year he faces, Murphy might find the latter reaction to be quite appealing.

Carl Golden is a senior contributing analyst with the William J. Hughes Center for Public Policy at Stockton University.

(Visited 869 times, 217 visits today)