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June 14, 2022

Honorable Paul Sarlo
Chairman
Senate Budget and Appropriations Committee
496 Columbia Boulevard, 1st Floor
Wood-Ridge, NJ 07075

Dear Chairman Sarlo:

I am writing to respectfully request that you invite the State Treasurer to attend the next meeting of the Senate Budget and Appropriations Committee to publicly account for a gross misrepresentation of the State's long-term debt and an apparently willful violations of the 2023 Appropriations Act where federal money is being spent without first obtaining required legislative approvals.

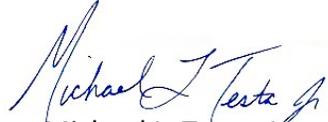
At the Senate Budget and Appropriations Committee hearing with the Treasurer's Office last month, the Treasurer left prepared remarks in her absence indicating New Jersey's debt decreased to a seven-year low. At the hearing, I questioned those remarks and asked that she reappear before the committee if the subsequent issuance of the state's audit (Annual Comprehensive Financial Report) called that, or other representations of the State's fiscal condition, into question. Subsequently, the State's audit -- released 6 months late -- indicated the State's long-term debt increased by almost \$4 billion in bonded debt, another more than \$4 billion in unfunded pension liabilities, and another \$36 billion in other long-term obligations. That State Audit didn't just call the Treasurer's claim into question, it made a mockery of those claims with long-term debt climbing at a record \$44 billion pace in a single year. Furthermore, the State's debt report has not been produced as required by law -- unprecedented this late in the year and apparently because there's no math possible to lend credibility to her earlier claim.

Additionally, since the May hearing, we have been informed by the Legislative Budget and Finance Officer that tens of millions of dollars are being used in support of unilateral Executive Branch spending proposals in violation of a requirement to first receive approval of the Legislature through the Joint Budget Oversight Committee.

Failure to hold the Treasurer publicly accountable for a grossly inappropriate misrepresentation of the State's financial condition and flagrant violations of law will beg more of the same.

Thank you in advance for your anticipated cooperation with my reasonable request.

Sincerely,



Michael L. Testa, Jr.