

By David Levinsky Staff writer | Posted: Monday, January 12, 2015 5:00 pm

TRENTON — A possible White House campaign may be in the works, but Gov. Chris Christie still faces some thorny issues at home, including the state's ailing pension system and nearly broke transportation fund.

Followers of state and national politics expect the Republican governor will touch on both issues Tuesday afternoon, when he delivers his fourth State of the State speech.

Christie's national ambitions also may color the speech.

"Everything (Christie) is doing in New Jersey is to leverage national attention," said Daniel Douglas, director of the William J. Hughes Center for Public Policy at Richard Stockton College of New Jersey.

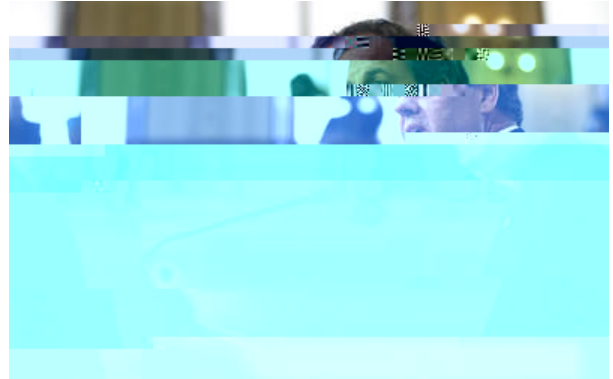
Christie is scheduled to address the full Legislature at 2 p.m. in the Assembly chamber of the Statehouse.

"I think what we'll see is him putting a positive spin on everything he can find that's positive and speaking very broadly with an eye to a national audience," said David Redlawsk, director of the Eagleton Center for Public Interest Polling at Rutgers University.

The speech comes at a precarious time for New Jersey's chief executive, particularly in his home state, where a Quinnipiac poll placed his approval rating among residents slightly below 50 percent.

A federal probe of lane closures on the George Washington Bridge is ongoing and continues to make headlines. Likewise, Christie's adoration of the Dallas Cowboys and appearances at their playoff games also earned him widespread attention.

Although Christie has yet to announce his intentions about mounting a campaign for the presidency, national polls show he is among the top contenders for the Republican nomination along with former GOP nominee Mitt Romney and former Florida Gov. Jeb Bush.



Gov. Chris Christie

Christie has said he expects to announce a decision on a possible presidential campaign early this year.

Douglas agreed that Christie likely would try to use the speech to highlight his administration's accomplishments, such as decreases in the state's unemployment.

He also will need to address some of the tougher state issues, such as the unfunded pension liability and the nearly insolvent Transportation Trust Fund, Douglas said.

Christie, who slashed the state's pension payments last year to help close a more than \$2.7 billion budget deficit, has called for new employee pension and health benefit reforms to keep the system solvent and prevent the costs from overwhelming the state's budget. He has yet to unveil any specific proposals but is awaiting recommendations from a bipartisan commission he formed to research the issue and propose possible solutions.

Douglas said he doesn't expect Christie to go into specifics Tuesday but he will continue his call for more reforms. He said the details probably will come in February, when he is scheduled to unveil a budget proposal for the 2015-16 fiscal year.

"The budget and pension, he'll speak to that in some way. It's something he's going to have to talk about," Douglas said.

Christie faces a similar dilemma with the state's Transportation Trust Fund, which could go bankrupt later this year without an influx of new revenue.

The governor has said all options are on the table for replenishing the fund, including an increase in the state's modest gasoline tax.

Douglas said the trust fund issue is an opportunity for Christie to speak to a broader audience, but also one with some pitfalls for a potential presidential campaign.

Polls show New Jersey residents are generally opposed to a gas tax increase, and Christie support for a tax hike could become fodder for opponents in a GOP presidential primary.

"Transportation could lead to a national platform, but it also involves raising taxes in some way," Douglas said.

In past speeches, Christie has

Some state legislators have proposed repealing the inheritance tax or raising the state's threshold for paying an estate tax from \$675,000 to the federal level of \$5.34 million.

Senate President Stephen Sweeney, D-3rd of West Deptford, also has called for the state to increase the income level needed for seniors to qualify for a pension tax exclusion.

The Associated Press contributed to this story.