

Will Chris Christie Veto Health-Care Exchanges or Go Along with Another Big Government Expansion?

Veronique de Rugy | May 10, 2012

While very entertaining and willing to take on teachers in his state, New Jersey Gov. Chris Christie doesn't quite deserve his widespread and glowing reputation as [a budget cutter](#) and small-government stalwart (see his latest budget along with his propensity to ask for federal spending for education or emergency flood aid; his propensity to [handout special tax breaks](#) to large New Jersey corporations; and his consideration of an annually adjusted increase of minimum wage to be tied to the Consumer Price Index).

The latest stance to raise questions has to do with the Affordable Care Act (ACA). Last March, New Jersey's Legislature passed a bill that would [establish health care exchanges](#) that would help implement ACA's awful individual and employer mandates. Christie has until today to veto the bill. If he doesn't the exchange will become entrenched in New Jersey as state law.

For a very good explanation of all that is wrong with the bill read this great piece by Cato Institute's Michael Cannon over at the Daily Caller. [Here is a tidbit:](#) Supporters warn that if Trenton doesn't create an exchange for New Jersey, *the feds will*. But so what? Obamacare gives federal bureaucrats a chokehold on New Jersey's health insurance markets no matter who runs the exchange, because it requires state-run exchanges to do everything a federal exchange would do. Obamacare has already stripped New Jersey of its sovereignty. The only question is, should New Jersey also pay for the privilege?

The bill before Christie would also subject the state to a second unnecessary tax: Obamacare's employer mandate. If employers fail to offer a government-defined package of health benefits, Obamacare whacks them with a tax of up to \$3,000 per employee. When you tax hiring, you get fewer jobs.

Due to an odd quirk in Obamacare, however, that tax is only enforceable if a state creates an exchange itself. It disappears in states that don't create exchanges.

What will Christie do? His comments on the issue have varied overtime. For instance, he's told libertarians (whom [he has confused with conservatives](#) at times) that he would veto the bill. [*] However, we should take his commitment with a grain of salt since his attitude is far from clear. Back in March, he [said that he wouldn't make a decision](#) about the exchange until the Supreme Court decides whether or not the ACA is constitutional.

Writing for the *American Thinker* yesterday, Mike Proto [explains](#):

Many conservatives in New Jersey have become jaded by the governor's ambivalence towards a number of the issues dearest to them, most particularly with respect to the government takeover of our health care. In contrast to the governor's very well-crafted image, his positions on Obamacare have been anything but fervent. Rather, they have been non-committal and laced with excuses and double-talk; nothing that could remotely be described as a principled stance against this extraordinary federal overreach and gross infringement on our liberties. To date, Gov. Christie has done nothing to stop the implementation of Obamacare in New Jersey. In fact, he has *facilitated* it at every turn. [...]

Ironically, just one month after the health care law was enacted, the Christie administration submitted its claim to obtain [\\$141 million in federal funds to set up Obamacare's high-risk insurance pools](#). The pretext of needing to study the 2,000 page bill now violated AFP-New Jersey state director Steve Lonegan quipped: "Obviously the governor's advisors have studied the president's health insurance plan. They're able to make decisions like this and now the question is why they're not joining the lawsuit."

If Christie cares about limiting government and protecting free markets, he should veto the law. If and when he does, his veto must be unconditional and independent from Supreme Court's decision on ACA. This is important because it could have serious consequences in other states. Other governors, such [Bob McDonnell](#) in Virginia, have already signaled that they may well follow Christie's lead if they see the Garden State honcho even conditionally supporting exchanges.

If he goes along with the exchange law? It's one more sign - along with proposing a budget that increases [spending by 8 percent](#) - that Christie ain't all that when it comes to slimming down government.

