

Under the Dome with DeAngelo

*An Update on the New Jersey State Government by Assemblyman Wayne DeAngelo
(May 2017)*

Welcome Back Under the Dome everyone even though the spring weather has us all wanting to be outside enjoying ourselves! The climate inside the State House, however, certainly has been a lot more heated as the focus remains on fiscal matters, particularly the State Budget.

Throughout the April until the end of June, the state legislative budget committees will focus on crafting the tax and spend plan for our state. Public hearings and departmental reviews have helped to shine a light on specific areas – both good and bad – that will all become factors in the finalized budget.

Much of the core of the focus – as has been in recent years – is the need to ensure adequate, fair funding of public school districts. As someone who has continuously voiced concern regarding cuts and flat funding of school districts under the Christie Administration, I have stood strongly with our local districts. As I testified in a recent legislative public hearing on school funding, we need to dig deep and find a way to bring a level of state aid to our towns before our school systems and students face irreparable harm.

Weeks before I began serving in the State Legislature, the School Funding Reform Act of 2008 was signed into law to bring about a more balanced approach for all public schools. This spending plan has been approved by the state Supreme Court as fair and legally sound. Yet, for years, Governor Christie's budget failed to live up to this mandate. This year alone, the formula is underfunded by an estimated \$1 billion according to the Acting Commissioner of Education Kimberley Harrington. Education advocates believe the amount is close to in excess of \$1.6 billion.

The reality is, however, that overall additional funding for statewide education funding may not be possible. In order to make suburban schools, such as those in my 14th District, whole, we would need to redistribute the pot of funding allocated in the state budget. While that seems fair to those towns that would benefit, the political reality of this redistribution would be incredibly challenging. The bottom line is: school funding will continue to be the most contentious issue facing state lawmakers.

One positive boost to the revenues in the state budget came thanks to the “sale” of unused television waves. A recent auction conducted by the Federal Communication Communications (FCC) sold off unused broadcast spectrums throughout the country in an effort to repurpose these airwaves to be used for faster Internet speeds on mobile devices such as smartphones.

As chairman of the Assembly Telecommunications and Utilities Committee, I am pleased to see this modernization of the unused of our airwaves. This sale brought in more than the anticipated amount. The original proposed state budget anticipated the sale to yield New Jersey \$325 million. The actual amount after the sale is \$331.9 million; this modest increase is a well-needed boost at any dollar amount.

Another critical matter in the telecommunications arena under consideration in the budget is the expansion of the state's 911 system. The Governor's proposed budget calls for an funding (a doubling of current funding from \$13 million to \$26 million) in addition to the \$1.37 billion that

New Jerseyans already have paid over the course of the last decade. Funding would come from a yet-to-be-seen bill that would call for a fee on prepaid phones.

Currently, \$120 million per year is collected through the 911 Emergency Response Fee through a 90-cent monthly fee on all phones. However, only 11 percent of this revenue actually goes to the emergency network in recent years. The majority of the funds pay for law enforcement costs associated with the New Jersey State Police, National Guard or rural policing. This diversion is the largest of its kind to services unrelated to the emergency system.

In 2015, only one-fifth of one percent of the collected fees went to improvements to the 911 system. This is simply unacceptable. It is a basic function of government to provide emergency response services for all. We need to ensure that, especially in a state as populated as New Jersey, anyone in any form of distress or facing a danger can call 911 and immediately receive assistance regardless of where they are or how the call is placed.

While working in a different fashion and on a different timeline, the federal government also is crafted their budget. The amount of dollars and cents are on a much higher level, but the potential impact on the residents of New Jersey could be just as significant.

For example, one of the most troubling proposals but forth by the Trump Administration would eliminate the federal deduction for state and local taxes. This would translate to an annual increase in federal tax bill for average New Jerseyans of more than \$3,500. The state and local tax deduction is the night largest federal expenditure at \$63.3 billion according to the Tax Policy Center. For residents of state with extremely high property taxes, this cut would dramatically hurt most New Jerseyans.

Low-income working families also could face a significant loss in the federal budget because funding for energy assistance programs would be cut. One key program, Low Income Household Energy Assistance Program (LIHEAP), provided \$126.8 million to New Jersey in Fiscal Year 2016. Elimination of LIHEAP funding would cut aid to approximately 292,273 New Jersey households. It is estimated that 70 percent of those households receiving this benefit had at least one elderly or disabled family member or child in the home. This drastic cut would literally and truly leave thousands of families in the dark and cold which is unacceptable.

Whether is on the federal, state or local level, all roads point to fiscal matters in the next few months. Hard decisions are ahead as budgets need to be balanced Under the Dome where I will see you again next month.

Editor's Note: Assemblyman Wayne DeAngelo (D-Hamilton) represents the 14th Legislative District which includes parts of Mercer and Middlesex counties. He can be reached at AsmDeAngelo@njleg.org; phone (609) 631-7501; www.WayneDeAngelo.com; Facebook: Assemblyman Wayne DeAngelo; or Twitter: @DeAngeloLD14.