

Under the Dome with DeAngelo

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

Welcome back Under the Dome where the crux of state government action has been focused on matters of dollars and cents. So let's dive right in and try to make sense of it all.

On February 28, Governor Christie delivered his final budget address before both houses of the New Jersey State Legislature. The Governor touted his two terms in office by underscoring decreasing the number of state employees and state owned or leased property; reducing the number of incarcerated individuals; making state payments into the public pension system; and passing the gas tax adjustment to fund the Transportation Trust Fund. He also highlighted his focus on addressing substance abuse and addiction which he considers a public health crisis.

To finish out the remaining months of the current Fiscal Year 2017 budget, the Governor proposed a supplemental appropriation of \$400 million to be spent over the course of the next 100 days to fix statewide bridge and road deficiencies. It also would expedite needed improvements for New Jersey Transit. This allocation would be in addition to the revenues raised by the gas tax and dedication to infrastructure through the Transportation Trust Fund. Reauthorizing that fund to the tune of \$2 billion will provide more than \$1.3 billion for construction and repair of local highway and bridges as well as \$677 million dedicated to mass transit.

Governor Christie's proposed Fiscal Year 2018 State Budget would come to a total of \$33.5 billion which is an increase of 2.6 percent over the current fiscal year.

One of my top priorities that I always look for in any proposed budget is the amount of direct assistance for property tax payers. The proposed budget includes more than \$1 billion in funding for direct property taxpayer relief programs. An estimated 138,200 seniors and citizens with disabilities will receive an average recurring benefit of \$1,401. First time beneficiaries (about 25,100 individuals) will receive a benefit of about \$219. I see first-hand how these benefits are critical for so many in my district.

Additional components of Governor Christie's budget include:

- Contributing \$2.5 billion into the state's pension fund which continues to have a sizeable unfunded liability.
- Maintaining funding for higher education at \$2.2 billion.
- Increasing funding for NJ FamilyCare to \$4.2 billion which is currently being funded with 100 percent of federal dollars provided under the Obama Administration. NJ FamilyCare enrollment has increase by 38 percent in three years.
- Reducing of \$252 million of funding for charity care assistance to hospitals largely due a reduction in the claims for uncompensated care because of the increase of federally-funded NJ FamilyCare coverage.
- Adding \$10 million in state funding to address concerns of lead found in drinking water.
- Providing \$986.6 million in federal and state funds for the state agency responsible for investigating child abuse and neglect allegations.
- Creating additional community placement and service options for individuals with developmental disabilities through \$89.7 million of new state and federal dollars.

Governor Christie did not offer a solution to the school funding formula crisis in his budget speech. However, he called upon the Legislature to negotiate a new funding formula with him under the caveat that it occurred in the coming 100 days. The Governor claimed that “everything is on the table” in these conversations with “no idea out of bounds for discussion.” He had previously put forth a proposal to establish a flat per-student rate of funding. That proposal was met with significant opposition since it did not take into account individual challenges of students that can drive up per pupil costs.

Both houses of the State Legislature have been hosting hearings on school funding throughout the state for months. Given the complexity of the issue, lawmakers have been cautious about being too quick to enact a formula that may continue to underfund schools or shift aid away from districts that need it.

In fact, on February 23, 2017, I testified at the Assembly Education Hearing on the school funding formula to express the concern of the nine towns across my district. The experiences and issues facing each of these towns are widely different, but the message remains the same: there needs to be a systemic change in how we fund our public school system. This issue was front and center when I first joined the Legislature in 2008 and once again remains a top issue.

It is unclear at this juncture what the solution will ultimately be regarding school funding or what the final state budget will look like in the next few months. One thing is for certain however, I will see you back here next month Under the Dome.

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.