

Under the Dome with DeAngelo

*An Update on the New Jersey State Government by Assemblyman Wayne DeAngelo
(Sept 2014)*

Our kids are back in school and college students have returned to campus after summer break while the State Legislature began to chart their course for the very busy fall legislative session.

In August, Governor Christie announced that he would be creating the “New Jersey Pension and Health Benefit Study Commission” comprised of nine individuals with backgrounds in actuarial sciences, law, accounting, public and private finance, and public service to devise suggestions on ways in which to protect the solvency of the state pension system. In announcing the Commission, Governor Christie said *“This issue is more difficult and complex than I expected it would be. I came to the conclusion that I wanted outside help to come and give me some advice before I made a proposal.”*

Despite Christie’s widespread changes several years ago to the pension and health benefits system, which included requiring public employees to pay more into the system, the pension fund remains underfunded. In addition, the Administration also failed to pay the full amount necessary to the pension system. It only paid the portion necessary to cover payments for current enrollees and did nothing to address the unfunded liability of the system.

The Commission is chaired by Thomas Healey who served as assistant secretary of the U.S. Treasury for Domestic Finances under President Reagan. Under his leadership, the commission is expected to provide its recommendations to the Governor by the end of September to be reviewed. Meanwhile, at least one legislator had begun drafting legislation that would potentially shift new public employees to a defined contribution plan that would possibly be a hybrid of a pension system and a 401(k) plan. Such legislation has not yet been introduced. Legislation as well as an proposals put forth by the Commission would be greatly scrutinized by lawmakers, including myself chief among them, who are gravely concerned about the solvency of the pension system. We need to ensure that those workers who have paid their fair share into their pension are not cheated when it comes time for them to retire.

Another state fund whose viability is in question, the Transportation Trust Fund, was at the center of discussion in August and will continue through the fall. Senate President Sweeney has been traveling around the state to highlight bridges desperately in need of repair or replacement. Some of the bridges he has visited, including the Nottingham Way Bridge in Mercer County, are approximately 100 years old and are considered structurally deficient yet continue to be traversed by hundreds of motorists daily.

Similarly, Assembly Speaker Prieto announced that the Assembly will be undertaking hearings to look at issues relative to our state’s transportation funding needs such as bridge safety, road improvements, mass transit reliance, and the overall cost to meet our transportation needs. The committees convened by Speaker Prieto also will look at the potential cost to businesses and workers if roadway improvements are not made and will review what other states are doing relative to the same issue.

The American Society of Civil Engineers estimates that two-thirds of our state's roads are in poor or mediocre quality while 35 percent of the bridges are deficient or obsolete. These deficiencies cost New Jersey drivers approximately \$601 annually to additional car repairs costs. We cannot continue to ignore the fact that our roadways and bridges are in desperate need of attention. If we wait to act until a devastating accident compels us to do so, it will be too late.

Finally, Governor Christie traveled to Mexico at the end of August for what was to be considered a trade mission to build a relationship between New Jersey and Mexico and create job and higher education opportunities. During the multi-day visit, Christie announced two key agreements. First, he effectuated a partnership between the State and ConnectAmerica.com which is a social media platform aimed at connecting countries throughout North America. The online investment platform will provide information for Latin American businesses to reach across borders to enter into new marketplaces. It seeks to improve international commerce through contacts, industry-specific information and financing opportunities. New Jersey is the first state to enter into such a partnership.

Second, Christie executed an agreement with Mexico – a Memorandum of Understanding -- between the Mexican Ministries of Public Education and Foreign Affairs and the Council for Science and Technology and the State of New Jersey to increase cooperation in workforce alignment, education and research. The agreement seeks to enhance partnerships such as joint research ventures, cross-border fellowships for graduate students and professionals; online educational programs; and student and teacher exchanges. It is unclear as to when the impact of the business or education agreements will begin to be seen to the benefit of New Jersey residents or if there may be a cost to taxpayers.

One final reminder that the deadline to apply for the Property Tax Reimbursement “Senior Freeze”) program currently is September 20, 2014 for senior citizens under age 65 and disabled resident. For more information or an application, please contact my office at (609) 631-7501.

On a 14th Legislative District note, my office will be holding a blood drive with the Blood Center of New Jersey on Tuesday, October 7, 2014 from 2:00 pm until 6:00 pm for those who are willing and able to donate blood. The bloodmobile will be coming directly to my office at 4621A Nottingham Way at the Shoppes at Nottingham Pointe in Hamilton at the intersection of Route 33 and Nottingham Way in order to be more accessible. Those interested can sign up by contacting my office or schedule an appointment through the Blood Center at 1-800-652-5663 ext. 140. Please remember that every blood donation can save a life.

The Legislature will return back to Trenton in earnest this month to embark on a jam-packed calendar and tackling many issues so I will see you pack here next month Under the Dome with a full recap on all the action.

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.org or Facebook: Assemblyman Wayne DeAngelo.