

Christie cuts spending for second year

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Gov. Chris Christie announced his plan yesterday to continue reductions in New Jersey government spending as well as reform in certain programs for a second year during the state budget address in Trenton.

With a proposed budget of \$29.4 billion Christie intends to cut total spending by 2.6 percent from last year, forcing many state departments to receive less funding.

"For too many years, our government has operated under the belief that the baseline ... is to continue to fund every program in the budget — regardless of the fiscal climate, ... the economy ... [and] the effectiveness of the program. Not anymore," he said.

Christie said this stifle on spending, which began last year, brought about a "new normal" that takes a different approach to budget decisions than former state administrators.

"In the new normal, we can and will stop old commitments, so we can set new priorities to meet New Jersey's 21st century challenge," he said.

One such priority includes promoting job growth, which the proposed budget plans to address by giving \$200 million in tax cuts and incentives for businesses in the state.

"The tone at the top has encouraged business to stay in New Jersey, and our unemployment rate is down nearly one full point in a year," he said. "Still too high but moving in the right direction."

Christie also aims to reform the health benefit and pensions systems, two federal programs he said are increasing deficits in states across the nation.

The pension system has a deficit of about \$54 billion and differences between assets and liabilities could amount to \$183 billion in 30 years, he said.

"All across the country, Democratic and Republican governors are grappling with inherited budget deficits, skyrocketing pension and benefit costs and state government cultures which embrace the status quo — no matter how destructive," Christie said.

To help improve the situation, Christie proposed a series of reforms in September that would raise the retirement age and eliminate the cost of living adjustments.

Despite restrictions in spending, not all state departments will experience a decrease in funding.

After placing tough cuts to the education system last year, Christie increased a total of \$250 million to school aid for every district in the state.

"I agonized over making cuts to education aide last year," he said. "It was not a decision I took lightly. It was not something I wanted to do."

In terms of higher education, Christie intends to keep the same level of support this year for colleges and universities, but he increased student aid programs by \$20 million and set aside \$15 million for capital improvements at community colleges.

Rutgers College Republicans President Noah Glyn believes this move shows Christie's dedication to education.

"I've heard so many people say things like 'Christie hates education. Christie hates teachers,'" said Glyn, a School of Arts and Sciences junior. "Hopefully this puts the end to those kinds of statements."

On the other hand, Rutgers University Democrats President Christopher Pflaum still has some doubts over these increases.

"He may be increasing money for grants and for opportunities for spending, but he's also cutting by some estimates 15 percent in terms of pay for teachers," said Pflaum, a School of Arts and Sciences senior. "And that's the worst thing you can do for education."

Pflaum believes there should be more invested in higher education, since it cultivates better workers and will therefore attract more businesses.

"One long term way to lower property taxes is to have more corporations move to New Jersey, particularly bio-tech and pharmaceuticals," he said. "The only way a company going to move to New Jersey if there are good employees, and the only way to get good employees is through a good higher education system."

In his speech, Christie mentioned how states like Wisconsin, New York and California are establishing reforms he put into place both last and this year, turning New Jersey into a model of how to deal with national deficit.

"Democratic governors and Republican governors now look to New Jersey as a beacon of hope for what can happen when leaders lead and a people sacrifice as one for the future of our children," he said.

But Ruth Mandel, director of the Eagleton Institute of Politics, believes this may be due in part to New Jersey's election cycle, which differs from other states. A new wave of governors entered office a year after Christie took office, giving him a head start in handling fiscal problems.

Regardless, Mandel said Christie is not just referring to a calendar year but to the attention he has earned through his tough approach when dealing with the budget gap.

"He believes his resolve and his example has given them a model for how this can work if they hang tough," she said.

Likewise, Glyn believes Christie's leadership shows political courage.

"I think what Gov. Christie has done is he's shown that it is possible to make hard decisions ... and still remain popular," he said. "As long as you're willing to walk that line, I think he shows that voters are willing to respect you."

While Pflaum agrees with Glyn and thinks New Jersey has stood out as a state, he said it is not just Christie's reforms that have brought attention.

"The New Jersey legislature as well as Chris Christie have been doing some unique things," he said. "As a state, we're one of the highest states in the nation in terms of debt, and we have to be unique and find new ways to deal with our issues."

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