

Gov. Christie's state budget proposals receive mixed reviews in Gloucester County

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By **Carly Q. Romalino/Gloucester County Times**

A "truly balanced" balanced budget, income tax cut, pension fund payments and education funding boosts were among the promises Gov. Chris Christie delivered during his annual budget address Tuesday.

But the devil will be in the details, according to Democrats, Republicans and others keeping a keen eye on how the Republican governor intends to spend every dime of the proposed \$32.1 billion state budget.

"It's a very bold budget and a very balanced budget, and I'm impressed in the way its being rolled out with a 10-percent tax reduction coming back to New Jersey State residents," said Bill Fey, chairman of the Gloucester County Republican Committee. "It seems like he thinks we are on the road to recovery."

Christie was again optimistic when he laid out his 2013 budget proposal. In January the governor said he could see New Jersey's comeback. He iterated Tuesday that the state is in high gear for a turnaround, and asked naysayers to "join us to accelerate the New Jersey comeback this year."

"It's almost like there has been a collective decision that things are looking up," said Ruth Mandel, Director of Rutgers University's Eagleton Institute of Politics. "The governor certainly claims things are getting better, and that has been a consistent claim of his."

The budget address is an outline for the millions and billions the governor has to spend over the next year. The proof will be in the pudding when the budget numbers are released in the coming weeks and state Legislators on both sides of the aisle get a look at where the real nickels and dimes will be spent, she said.

Already the year's biggest promise — a 10 percent across-the-board income tax cut — has received mixed reviews.

While 52 percent of respondents to an Eagleton Institute poll are in favor of the tax cut measure, 76 percent would prefer relief in property taxes.

Assemblywoman Celeste Riley (D-3, of Bridgeton) isn't convinced that the income tax cut measure will yield the return that state residents are hoping to receive.

According to the Eagleton poll, New Jersey voters have been significantly overestimating their savings. About 35 percent of



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Gov. Chris Christie delivered his budget address to a joint session of the state Legislature on Tuesday.

registered voters think a 10 percent tax cut would save about \$500 a year. Eagleton's reports suggest a household would need to earn more than \$150,000 in taxable income to save \$500 in state taxes.

Sen. President Stephen Sweeney called the tax cut an "income tax scheme" in the Democrat response to Christie's address. He pointed out that those making \$50,000 a year would only receive about \$80 when the cut — which is set to be phased in over three years — is in full force.

"It's not even your food bill for the week," Riley said. "I think he (governor) is trying to make good by using this income tax and people hear, 'oh, I'm going to get a break in my taxes,' but it isn't a real tax break. ... That is not addressing their property tax issue."

But a tax reduction is a tax reduction for Fey.

"It's putting money back into the pockets of the hardworking people of the state," Fey said. "People want it back in their wallets."

At the same time Christie proposed the income tax cut, the governor also laid out his plans to increase K-12 school aid by \$200 million, and increase funds to higher education by six percent to make state colleges more affordable. Plus he proposed allocating \$1 million to fund a new Governor's Urban Scholarship Program for inner-city students in New Jersey to attend college.

School funding is among the top issues for Gloucester County residents, according to Fey.

"The people on the southern end of the county are very interested in education (funding) and the Kingsway Regional School District, and making sure they get the relief they deserve and need," Fey said.

Christie's budget proposal includes an increase of \$213 million over last year's levels for elementary and high school aid.

While Riley said she is glad the figure is increasing again, taxpayers shouldn't start cheering for school tax relief yet. The \$8.8 billion for school aid still is not at the level it was before Christie cut it two years ago, she said.

"He is just bringing it back to where it was," she said.

Christie has also proposed the next step in building the state's employee pension fund "on a sound long-term track" toward being safer and more reliable.

His budget proposal contains a \$1.1 billion state pension contribution, a payment that Christie has touted as the "single largest state contribution ever."

"The claims he has made about balancing the budgets the couple years are false because he hasn't paid what he should to the pension fund," Caswell said. "There is additional money for the pension fund in this budget."

Mandel added that a consistent investment in the pension fund could be a real step forward for the state.