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Corzine may trim aid cuts for towns

BY RICHARD PEARSALL • COURIER-POST STAFF • APRIL 16, 2008

CHERRY HILL — Gov. Jon S. Corzine said Tuesday he expects to restore some of the \$190 million in state aid to municipalities that he has proposed cutting as part of his austere budget for the next fiscal year.

In a meeting with the Courier-Post Editorial Board, the governor also said that it's likely the state Department of Agriculture will be saved.

"No one's going to go on the cross on that one," the governor said of his proposal to save \$500,000 by closing the Agriculture Department.

"It's pretty obvious," the governor said, when asked if municipal aid, the agriculture department and the closing of nine state parks were likely to be altered in negotiating the budget with the Legislature between now and July 1.

All three of those proposals have met with howls of protest.

The governor reiterated that any spending cuts restored by the Legislature must be replaced by reductions elsewhere.

"It is absolutely essential that we stay at \$33 billion or less," he said, referring to his target for the total budget for the fiscal year that begins in July, "and that there are no new taxes."

And he said that the \$500 million in cuts he's proposed in this year's budget proposal are only the beginning of his efforts to get state spending and debt under control.

Next year's budget, he said, is going to "look like a kissing cousin of this one."

As he has done since February, when he delivered his budget address to the Legislature, the governor painted a grim picture of a state government that has borrowed and spent its way into a deep hole, producing only gimmicks and one-time fixes over the years to keep itself afloat.

"We are in the midst of a fundamental restructuring of our finances," the governor said. "We have to stop using borrowing as a basis for saying we have a balanced budget."

The governor expressed his support for a constitutional amendment that would extend to government authorities, not just the Legislature, the requirement that borrowing be submitted to voters for approval.

When he went on the road to sell his proposal to raise highway tolls, the governor said, he got the message loud and clear from residents that they want spending cuts instead.

Having proposed some of those cuts -- \$2.7 billion worth to offset inflation in other areas and still come out with a \$500 million net saving -- the governor has discovered that cuts aren't widely popular either.

The cuts "are not being met with a resounding chorus of praise," said Bradley Abelow, the governor's chief of staff. "What we've found is that every dollar has not just one person but lots of people saying 'I need that dollar.'"

The governor noted that he has obtained concessions on health care from public employees and raised the retirement age from 55 to 60 for new hires.

"If we could have gotten more in an overall package, I would have liked to have done it," he said. "We made real inroads. We need to keep pressing on it."

"We're trying to cut our labor costs right now," the governor said at another point. "But I can't do what I did at Goldman Sachs and go fire 10 percent of upper management -- 10 percent of this management -- across the board."

The governor said he keeps a close eye on Camden, both personally and through his appointees in charge of state oversight of the city.

"Sometimes I feel like I'm the mayor of Camden as opposed to governor," he said. "I'm very upset about the criminal elements and the violence."

But he said he views the city "with a lot of hope," as a "guy who experienced some of the good in Camden," an allusion to his stay at Cooper University Hospital after his automobile accident a year ago.

"I know there are good people we can build from," he said.

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