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PUBLIC HEARING

before

SENATE STATE GOVERNMENT AND FEDERAL AND
INTERSTATE RELATIONS COMMITTEE

"To examine the mission and goals of the New Jersey
State Council on the Arts, the Council's relationship
to the Department of State, and compliance with
legislative intent"

March 21, 1991
Room 410
State House Annex
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Senator Wynona M. Lipman, Chairman
Senator Francis J. McManimon, Vice-Chairman
Senator Gerald Cardinale
Senator C. William Haines
Senator Gerald R. Stockman

ALSO PRESENT:

New Jersey State Library

Joseph P. Capalbo
Office of Legislative Services
Aide, Senate State Government and
Federal and Interstate Relations
Committee

* * * * *

Hearing Recorded and Transcribed by
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State House Annex
CN 068
Trenton, New Jersey 08625



New Jersey State Legislature

WYNONA M. LIPMAN
CHAIRMAN
FRANCIS J. McMANIMON
VICE-CHAIRMAN
LAURENCE S. WEISS
GERALD CARDINALE

SENATE STATE GOVERNMENT AND FEDERAL
AND INTERSTATE RELATIONS COMMITTEE
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C. William Haines

NOTICE OF PUBLIC HEARING

The Senate State Government and Federal and Interstate Relations Committee will hold a public hearing to examine the mission and goals of the New Jersey State Council on the Arts, the Council's relationship to the Department of State, and compliance with legislative intent.

The hearing will be held on Thursday, March 21, 1991 at 10:00 A.M. in Room 410, State House Annex, Trenton.

The public may address comments and questions to Joseph P. Capalbo, Committee Aide, at (609) 292-9106. Persons wishing to testify should contact Deborah Del Vecchio, Secretary, at (609) 292-9106. Those persons presenting written testimony should provide 10 copies to the committee on the day of the hearing.

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SENATOR WYNONA M. LIPMAN (Chairman): We're going to begin this hearing now. I would like to announce that Senator Jerry Stockman has been appointed as a temporary replacement for Senator Laurence Weiss who could not come today. Before I make this opening statement, I would like to remind everyone who comes to the witness stand to please speak into the microphone. It would help very much, our transcribers.

The last year has been both turbulent and controversial by the arts community--

(informed by audience that they cannot hear)

You can't hear? Okay. That is not a real microphone. (speaks louder)

The last year has been both turbulent and controversial by the arts community in New Jersey. Competition for funding in both public and private sources has increased dramatically, and it is unlikely that the opportunities of the booming and expansive '80s will be repeated in the near future.

While those of us who have been active in promoting the development of arts in our communities and in our State have had a number of disappointments, we cannot let these temporary setbacks weaken our commitment to this effort. There have, in fact, been some positive developments. The public debate on arts funding has focused greater attention on the importance of the role of the arts in economic development and in improving the quality of life in New Jersey, particularly in our cities.

Additionally, it has mobilized and solidified the arts community, as we see here today. Plans and funding for the Performing Arts Center in Newark are moving forward. In New Brunswick, construction has begun on the new home of Crossroads Theater, which recently received national recognition for its Washington production of "Black Eagles." In southern New Jersey plans for the Performing Art Center in Camden are also moving forward.

A vital part of the success of these projects and the growth of the arts is a continuation of an independent, professionally-managed State Council on the Arts. This will only occur if both the statutory relationship between the Department of State and the Council -- and the obligations of each of these respective agencies -- is clearly understood. It should also be understood by the Executive and by the Legislature. The reaffirmation of the legislative policies enunciated in the enabling legislation which established this Council as an independent agency is one of the purposes for today's hearing.

We will also review certain activities of the Arts Council, particularly the grants application process, and discuss the benefits within the arts community of maintaining the integrity and the independence of the grant application process.

At a time when competition for funding is so great, it is extremely important that everyone -- the arts community, the Legislature, and the public -- have confidence in the fact that the procedures used to make decisions regarding the expenditure of public funds is fair and impartial.

Assuming that we are able to complete the testimony today, and the questions raised by the Committee are answered in a satisfactory manner, I anticipate that the Committee will issue a report within the next three to four weeks.

Before concluding my opening statement, I would like to thank all of you for your participation. I'd also like to announce that Senator Haines, our fifth member, has a flat tire but he'll be in momentarily.

So, now I shall call the Secretary of State, the Honorable Joan Haberle.

S E C R E T A R Y O F S T A T E J O A N M. H A B E R L E:
Good morning, Senator.

SENATOR LIPMAN: Good morning.

SECRETARY OF STATE HABERLE: First, I want to thank the Committee for the opportunity to speak to them today. I regret that my testimony must be very brief. Prior to receiving notice of this hearing, I committed to attend a meeting of the Ethical Standards Commission, of which I am a member. This meeting is occurring simultaneously, which I might add, we do not have a quorum -- and I represent a quorum -- so I must get back.

As you may know, the Attorney General's Office issued a statement on March 12, 1991 which clarified the responsibilities of the Department of State and the State Council on the Arts regarding personnel matters. Traditionally, the appointing authority for the Arts Council personnel was the Secretary of State's Office. The practice of the Secretary of State hiring personnel for the Arts Council was in existence when I took office in January 1990. I do not know when this practice first began, but I continued to operate under the same procedure. Unfortunately, my budget was reduced, and as such, necessitated reducing personnel. As an appointing authority, one is sometimes faced with the unpleasant task of terminating rather than hiring personnel, for the purpose of balancing the budget.

On this basis I issued the notices to personnel at the Arts Council. It is my understanding, that based on the recommendations of the Attorney General's Office, the Council will now be responsible for its budget and personnel.

I serve as an ex officio member of the Arts Council and am a nonvoting member in the grants process. I have always maintained that the Council's grants are awarded independently of my office, and I would like to use this opportunity to assure the Committee that this practice has never changed, and the grants continue to be awarded by the same process as established in the previous administration.

New Jersey State Library

I regret that I must go back to Ethical Standards, today. Senator, with your permission, I would like to leave Ed Durham here to answer any questions that might come up. He's Director of Administration and has been with the Department for the past 17 years.

SENATOR LIPMAN: Yes, all right, but I'm sure that the members of this Committee will have a small fit if they can't ask you a couple of questions.

SECRETARY OF STATE HABERLE: Well, I think we'll probably have another 20 minutes at the Ethical Standards Commission. We're just going into closed session, so if I can get back, I can probably come right back as soon as we finish.

(Senator Lipman confers with Committee members)

SENATOR LIPMAN: I think maybe we'd better take a couple of minutes, now, all right? I'm sorry.

Go ahead.

SENATOR McMANIMON: I think Secretary of State has pretty much answered one question I was concerned with, and it's already been done by the Attorney General's Office. Your statement covers that, and I've already read the statement from the Attorney General, so I'm pleased with what I read there.

SENATOR LIPMAN: So you are satisfied. Is Senator Stockman?

SENATOR STOCKMAN: Well, I appreciate the Secretary of State's time dilemma here. We had some questions prepared, and I think they were good ones. I think most of them have been answered in the statement. I think everybody's concerned about this question of independence of the grant process. I think the question of the layoffs, and where we are in going back on that, has been worked out. So, the Attorney General's opinion seems to make clear that it's a decision that should be made by the Arts Council itself. I think the Secretary of State has acknowledged that, and acknowledged that the practice that seemed to call for a different approach was something that she

inherited, and she recognizes is really not consistent with the letter or the spirit of the legislation creating and moving the Arts Council around. So I tend to agree with Senator McManimon, that in large measure the major questions that we were concerned about have been touched on in her statement. I gather that she will be available, arguably, later. I think there are going to be comments and remarks by other witnesses that may raise some other questions, but I think the major concerns that we have, have been addressed by the Secretary of State.

SENATOR LIPMAN: Yes. Madam Secretary, you did not exactly clarify the origin of the practice. Do you know it?

SECRETARY OF STATE HABERLE: No, I do not, Senator.

SENATOR LIPMAN: You said it was there when you came.

SECRETARY OF STATE HABERLE: Yes.

SENATOR LIPMAN: Senator?

SENATOR CARDINALE: Yes, I just have a brief question. Frankly, most of the public questions that have been raised have been answered before this hearing, but there is one question that remains to me, and it's a practical question: If, indeed, they have the legal authority to hire these people back, do they have the funds? Are those funds available to them to hire these people back? Because having the authority without having the money is kind of an empty gesture.

SECRETARY OF STATE HABERLE: Yes. They probably, in all likelihood, will have the funds available in their budget. We have been sitting down with our fiscal people and trying to work very closely with them. So, providing that the funds are available-- I think part of their funding might come from Federal funds; they would have the money available.

SENATOR CARDINALE: Thank you. That's the only question I have, Madam Chairman.

SENATOR LIPMAN: So, Madam Secretary, there will be a change in the procedure regarding the way that staff is hired

and fired? Do I understand that?

SECRETARY OF STATE HABERLE: Well, we'll still give them the support and the backup through the fiscal operation that they need. Someone must be there to do the paperwork. Our office will still be there to do all the paperwork for them. So, we'll be there to lend them any support staff that they need. They must still have a BB-10 signed like anyone else when they hire someone, which still goes through the normal process that any BB-10 would.

SENATOR LIPMAN: All right. Well, if there are no more questions--

SENATOR STOCKMAN: I think the question of the practice, incidentally Madam Chairlady, may be one we could explore with Jane Burgio. I see she is a witness who intends to be here.

SENATOR LIPMAN: Yes. She is here. The former Secretary of State.

SECRETARY OF STATE HABERLE: If I can just finish down the street, then I will absolutely stop back in.

SENATOR LIPMAN: Well, we'll look forward to your return.

SECRETARY OF STATE HABERLE: Okay, thank you. I appreciate your helping me this morning with that situation. Thank you.

SENATOR LIPMAN: All right. Thank you, very much.

I think I'll make a panel now, if it's all right with everybody. From the Council on the Arts, Ms. Christopherson, Ms. Penney, Ms. Harrington. And I think we'll take the former Chairman here, Mr. Price, Professor Price. Are there enough seats for you?

Ms. Christopherson, everybody knows, is the Chair of the Council. Ms. Celeste Penney is one of the oldest members and Sharon Harrington is one of the newest members. Professor Clem Price is sort of emeritus now. I think he got booted out.

SENATOR STOCKMAN: I was just wondering how he was so lucky to be grouped with the rest of us?

SENATOR LIPMAN: Well, he got that on the basis of friendship.

All right, we'll start with you, Ms. Christopherson. You have some remarks?

E L I Z A B E T H G. C H R I S T O P H E R S O N: Senator Lipman, distinguished members of the Senate State Government and Federal and Interstate Relations Committee, and guests: Thank you for the invitation to testify before you today. As you indicated in your invitation, the purpose of today's session is to examine the mission and goals of the New Jersey State Council on the Arts, the Council's relationship to the Department of State, and compliance with legislative intent.

This provides an opportunity to describe the status of the agency, and the steps we are pursuing to ensure that the New Jersey State Council on the Arts continues to fulfill its legislative mandate and work for the benefit for the people of New Jersey.

The missions and goals: The mission of the Council is drawn directly from its enabling legislation, P.L. 1966, C.214, particularly from such language as is contained in clause 2.a which reads "The duty of the Council shall be to take such steps as may be deemed appropriate to stimulate and encourage the study and presentation of the performing and creative arts, and to foster public interest in, and support of, the arts of our State."

Thus, years ago, the Council declared its mission to be to improve the quality of life for residents of New Jersey through arts education and the support of high quality, diversified arts activities that are accessible to all residents regardless of race, age, color, creed, mental or physical condition, geographic location, or economic circumstance.

The primary ways in which the Council fulfills its mission are the administration of a multifaceted program of grants and fellowships, an extensive program of arts education residencies and services, and a variety of special cosponsored projects to spotlight New Jersey talents.

The Council's missions and goals also derive from other acts, including the Arts Inclusion Act of 1978, the Cultural Centers Designation Act of 1985, and the Green Acres Cultural Centers and Historic Preservation Bond Act of 1987. Each charges the Council as the agency of State government to administer specific programs and support for the benefit of artists, arts groups, and the people of the State.

Specifically, the Council is designated as the official agency of the State for the receipt and disbursement of funds provided to the State by the National Endowment for the Arts, N.J.S.A. 52:16A-28. Indeed, it is the people of the State of New Jersey that are the principal beneficiaries. Over 13 million people annually attend or otherwise directly benefit from the performances, exhibitions, publications, broadcasts, and other services provided through the Council grant support. That number far exceeds the total annual attendance at all sporting events conducted at the Meadowlands complex.

Council grants support over 10,000 cultural events each year, involving over 48,000 professional artists. This includes the musicians in our orchestras, the actors in our theaters, dancers, painters, sculptors, media artists, writers and more. The Council's arts education program, over the years has placed literally hundreds of artists in residence in our public schools to teach children how to paint, to write, to act, to dance, and to give voice to that most fundamental of human impulses; the desire to create.

For example, in Fiscal Year 1990, the Council reached 24,000 school children, two-thirds of whom are in inner cities. The Council's grants are matched three, four, often

five times over, by the recipients. Council grants help leverage private investment in the arts. In turn, grantee expenditures employ people, contribute to tax revenues, and prompt audience spending in our local economies that exceeds two, even three times the initial investment.

Last March, at our Council meeting, Governor Florio, Senate President Lynch, Commissioner Primas, and Mayor James each spoke to the Council. The focus of this meeting was the importance of the arts to urban revitalization. The New Jersey Performing Arts Center, the Newark Arts Council, and ArtPride have each conducted recent studies demonstrating the importance of the arts to our economy.

The programs of the Council have, over the years, helped establish a vital, vibrant and growing sector of our State's economy. The Council's program assists artists, arts groups, and audiences in all 21 counties of our State, from most urban to most rural. The program helps the larger developed groups through the general operating grants and special project grants, but also, vigorously supports local and emerging groups through Block Grants to county arts agencies. Over the years, the Council has also developed special support programs to meet the unique challenges faced by southern New Jersey and the minority arts community.

The relationship with the Department of State in compliance with legislative intent -- and I begin with a brief history: Almost 25 years ago on July 29, 1966, Governor Hughes signed the Council's enabling legislation. By this legislation the Council was, "established in the Department of State," and consisted of 15 gubernatorially appointed persons and a \$75,000 appropriation. Section 3 of the enabling legislation enumerates the various powers and responsibilities of the Council. They include the authority to, "employ an Executive Director and such other personnel as may be deemed necessary to accomplish its objectives within the limit of funds

available,"authority to, "adopt rules and regulations concerning the operation of the Council," and authority to,"request from any department or agency of the State government, such assistance, information, and advice as will enable it to carry out its powers and duties."

The history of the Council was not always a smooth one. In March 1979, the Council received notification from the National Endowment for the Arts that its basic State operating grant had been rejected. To quote from the March 23, 1979 letter, "The criteria applied to all State arts agency applications, seek identification of a decision-making process which is informed, participatory, objective, supportive, and responsive. There must be responsible and effective governance, management, and administrative operating policies and procedures, including fiscal procedures for the State Arts agency." The panel looked for evidence of positive leadership by the State Arts agency on behalf of the arts. The criteria called for provision for evaluation of agency effectiveness on a regular basis, and evidence of response to such evaluation. Finally, they ask about a provision for public reporting on a regular timely basis concerning agency policies, programs, and evaluation of impact of art support services. The 1979 letter from the National Endowment continues, "As reviewed against this criteria, the Federal/State panel found the application from the New Jersey State Council on the Arts to be inadequate." Over a decade ago, the Council's management policies came under Federal scrutiny and were found to be lacking. Steps were taken to correct this situation before the agency was able to receive funding.

In 1980, operating with approximately \$1 million annual appropriation, the Council was moved to the Department of Education. Three years later, in 1983, operating with a State appropriation of approximately \$3 million, the Council was moved back into the Department of State because of the

Secretary's background and interest in the arts. While legislation is silent on how the Council fits into the general framework of State government, it was thought that this move would be the proper place to enhance cooperation to benefit the Council. In 1983 the Council's membership also increased to 17 appointees and three ex officio members to include a member of the Senate -- Senator Stockman -- a member of the Assembly -- Assemblywoman Ogden -- and the Secretary of State. The Council continued to set policy, establish programs, and administer State appropriations and Federal grants.

Regarding personnel issues, it's my understanding since 1982 -- during my nine years of experience as a Council member -- that the Arts Council followed procedures as authorized in the statutory legislation. During this period, the Council initiated the search and approved by full vote of the Council the hiring of the Executive Director and the Assistant Executive Director. The Council, through its Executive Director, authorized and conducted job searches -- sometimes of a national scope -- to find professionally qualified candidates for all positions. In this way, the Council was able through the 1980s to attract an extremely well-qualified, hardworking, and dedicated staff without increasing its total size.

The salary and wages of the work force were met through the Legislature's annual appropriation to the Council for that purpose, as identified in Account No. 2530112 in the Appropriations Handbook, as the salary and wage account of the New Jersey State Council on the Arts. Additional funds from accounts other than the general fund were also available: the Federal Basic State Grant, the Arts and Education Grant, and the Cultural Centers Bond Program. That work force, division of the Council, and the substantially increased appropriations to the Council provided by the administration and the Legislature through the 1980s, combined in a powerful way to

build one of the most innovative, responsive, accountable, and well run programs in the country.

In May of 1989, the Council was invited to appear before the Centennial Meeting of the National Council on the Arts to share with the entire country the story of the Council's remarkable transformation. At that time, it had a budget of \$23 million, a staff of 26, and a series of programs and services that included a comprehensive grants program, a highly esteemed arts education program, a nationally recognized crafts program, a \$40 million Cultural Centers Bond Program, a Cultural Centers Designation Program, and Arts Inclusion Program, special projects in the visual, performing, and literary arts, a State/County Partnership Program, a Minority Arts Initiative Program, a Southern New Jersey Arts Initiative Program, and an Active Information Services Program.

So what is the situation today? Over the course of the last year-and-a-half, the number of Council staff reporting to the State Council on the Arts went from 26 to 11 and is now at 14. These figures include some part-time staff. The early terminations and transfers in 1990 were explained to the Council as being driven by the serious downturn in the economy and the administrative efforts to centralize key functions of information services and fiscal operations. In an effort to accommodate the serious budget deficit and change in administration, these changes were reluctantly accepted. However, it should be noted that in the spirit of cooperation and with the intent of establishing a good working relationship with the Department, the Council requested opportunities to discuss the staffing of the leadership of the Department and communicated its need to participate in, and authorize, subsequent actions.

In December 1990, with a staffing complement of 15, members of the Council's Executive Committee met with the Secretary of State. With the assistance of the Acting Director

we identified the minimal, critical personnel necessary to operate the agency. In mid-February, three of the key personnel professional staff were terminated, and two other staff were transferred. These two staff, as those previously transferred, remain on the New Jersey State Council on the Arts payroll. These actions significantly affect the New Jersey State Council on the Arts and the arts community. These actions taken, without consent of the Council, seriously impair our ability to meet our mandated, statutory responsibilities. Upon notification, the Council took immediate steps to swiftly, effectively, and internally resolve these issues and while frustrating the press and public, we continued to work for a positive resolution, internally.

We called for meetings with the Secretary of State and the Governor's Office. In these meetings, we clearly communicated the fiscal and legal implications of these actions. We asked for an opinion from the Attorney General's Office, restoration of key personnel, and open communication lines. During our meetings, all parties agreed there is funding available for salaries in Fiscal Year 1991 and Fiscal Year 1992, unless the fiscal situation worsens, in which case, additional funds will be sought.

As of March 12, the Council received a statement from the Attorney General which concludes that the Secretary of State acted within her authority in undertaking these recent decisions. It also states that the Arts Council continues to have the authority to hire those persons it deems necessary to carry out its functions as articulated in statutory legislation and the July 1990 Senior Deputy Attorney General's opinion.

Last week, the Council's Executive Committee and leadership of ArtPride met with a representative from the Governor's Office and received a personal commitment from the Governor's Office to develop a framework for continued progress, to meet the short-term operational needs of the New

Jersey State Council on the Arts, and provide active leadership in working with various departments of State government to achieve long-term solutions to the issue of appropriate titles for our professional staff and other critical needs.

From the start it has been the Council's position to be unconditionally constructive. With all parties working together, we were able to make significant progress and focus on the pressing needs at hand.

We are encouraged by the involvement and support of the Governor's Office. Members of the Governor's Office are aware of the immediacy of our operational needs and have made a commitment to provide the support required to ensure that these needs are met and are swiftly, adequately, and appropriately addressed.

To this end, the three professional staff who were most recently terminated have been reinstated. The issue of transferred personnel is being addressed. Although, to date, no transferred staff have reported back to the Council, the Governor's Office has made a commitment to secure these services.

Just as it is important for me to share this good news, it also imperative that I provide you with a clear picture of the Council today. What we now have is a budget of \$11 million and a staff of 14, including one part-time staff, reporting to the Council. We are expected and required to manage virtually all but two of the same programs and at the same level of responsibility as we did when we had \$23 million and a staff of 26. Yet even with 14, the Council, at present, has insufficient staff to meet all our responsibilities.

What are the risks that need to be managed?

- 1) Federal funding,
- 2) The long-range planning which is a requirement for the NEA State agency funding,
- 3) Adequate and timely grants management,

4) The appropriate fiscal management and accountability and potential loss of Fiscal Year 1991 funds for State arts organizations,

5) Proper management of the Cultural Centers Bond Program,

6) Participation in the new National Endowment for the Arts grant categories to support underserved constituencies, specifically inner cities and rural populations,

7) The management of Council initiatives and cosponsored projects and management of legislatively mandated programs, arts inclusion and the Cultural Centers designation,

8) The completion of the codification of Council policies and procedures as indicated by audit,

9) The ability to respond in a complete, accurate, and timely manner for requests for information: public, press, arts constituency, Legislature, Governor's Office, Department of State, and Council members.

Because of recent actions, the work of the Council is seriously delayed. The Council's commitment has been, and continues to be, to complete our responsibilities in a timely fashion for the benefit of the arts community in the State. We will do this with the concerted effort of all the important individuals and groups involved. I include the Council, the Governor's Office, the Secretary of State, the Senate State Government Committee, and other members of the Legislature and arts community.

In conclusion, progress has been made in the last few days. We are encouraged by the commitment of the Secretary of State and the Governor's Office, and we greatly appreciate the response and support of the arts community and advocates in the Legislature. Our mission is so important and so much is at stake. We must all work together for the great purpose of promoting the arts in the State of New Jersey.

Thank you. (applause from audience)

SENATOR LIPMAN: Thank you, very much. All right. So you see you have fans here. The Arts Council has fans. (Senator Lipman confers with other Committee members)

How do you want to handle this, gentlemen? Do you want to ask her questions before the others finish?

SENATOR STOCKMAN: We started on this side for the last, so perhaps will defer it to the other side.

SENATOR LIPMAN: Senator Haines? Senator Cardinale?

SENATOR CARDINALE: I have a question, if I may? I'd just like to get a few additional pieces of information.

Do you have -- in addition to the paid people -- any volunteer staff people?

MS. CHRISTOPHERSON: No, we do not. Well, the Council, I guess. They are all volunteers, excuse me, but they are not considered staff.

SENATOR CARDINALE: But they perform part of your function. Because it appears to me that you've had an expanding function over the last 10 or 15 years. Since this whole area of State government has been formed, the function has been expanding. My general impression is that there are more arts projects available today and more arts centers available today. I have several of them in my own district. They weren't there awhile ago, and they are now. I just have the impression that there's more of this kind of activity.

But your budget has gone to \$11 million and 14 people from, I think you said to us, \$23 million and 26 people. How does that balance with an expanding function? Is there, in fact, going to be a curtailment of your function as a result of these changes?

MS. CHRISTOPHERSON: Senator, there already has been a curtailment of programs and services, things that we'd like to provide the public, but we have been understanding of the serious budget situation and understood there were certain bottom line things that we needed to provide; things that we're

legislative mandated to provide. As long as we can work with a very lean staff-- Indeed, it's been a very tough job -- one with a lot of obstacles -- but we've tried very, very hard to be understanding of that, to at least get the essential things that we need to do done and the services provided for the State.

SENATOR CARDINALE: You've indicated that these people who were let go, which precipitated this public furor, have been rehired. Were you unhappy with the past practice? Would you have preferred to have done it differently? Would you have preferred that the Secretary of State not have hired these particular individuals, or there had been a different procedure? Was there any complaint before these people were let go?

MS. CHRISTOPHERSON: We have had with the current--

SENATOR CARDINALE: With the process--

MS. CHRISTOPHERSON: With the process? We have had discussions since the early parts of 1990 on the negative implications of losing staff and changing procedures, because after all, in 1989, I think at the pinnacle of support and so on, we were designated as a model agency, and certainly some of our programs still continue to receive national recognition. Indeed, we were very, very concerned, as a Council, what the changes might imply, so we've had those discussions all along, yes.

SENATOR CARDINALE: With respect to the two people who were transferred and who have not yet returned -- I understand you're saying you have a commitment that they will return -- where were they transferred to?

MS. CHRISTOPHERSON: Actually, it's more than two people. I might ask, perhaps, Barbara Russo is our Acting Executive Director, and I would just ask her for a moment to identify the list of where the transferred people are. Barbara, would you come forward? Who has been transferred, and

where have they gone? Because you can give their correct titles--

B A R B A R A F. R U S S O: All right. I think over the course of the last 18 months there have been, I believe, five that have been transferred, two from the fiscal office, one who was an office manager, most recently a computer systems person, and one of our clerical staff have been transferred.

SENATOR LIPMAN: To other State offices?

MS. RUSSO: To other divisions within the Department of State.

SENATOR LIPMAN: Right.

UNIDENTIFIED SPEAKER: While on our payroll.

SENATOR CARDINALE: But they have continued to be counted against your budget.

MS. RUSSO: Correct. That's my understanding. I haven't seen the payroll sheets, but my understanding is that they have continued to be charged against our budget.

SENATOR CARDINALE: Have you inquired as to the legality of that practice?

MS. RUSSO: In discussions in the Department, we were told that that was appropriate. The Department head had characterized it as an appropriate use of funds.

SENATOR CARDINALE: It's appropriate for us to designate money for the arts but use it somewhere else. (laughter) That's appropriate.

MS. CHRISTOPHERSON: Some of those people are absolutely essential to the function of the Arts Council and we are under-- We're having discussions with the Governor's Office, indeed, on that very subject because it is one that obviously concerns us greatly; our ability to, as I say, manage our fiscal responsibilities.

SENATOR CARDINALE: Has this particular part of the discussion been remedied to your satisfaction with the Governor's Office? That is, will moneys continue to be

appropriated to the arts but used elsewhere, or will you have total control of your moneys and have the ability to use them totally for the purpose for which they are appropriated?

MS. CHRISTOPHERSON: It's the Council's goal, I think, to have the services it needs and the people that it needs to function effectively and to pay for those services within our office, yes.

SENATOR CARDINALE: Well, I understand that you want that, but are you satisfied that that's the conclusion that has been developed in your meetings with--

MS. CHRISTOPHERSON: I think that's something that we're still working toward, yes.

SENATOR CARDINALE: So, it's not yet--

MS. CHRISTOPHERSON: No.

SENATOR CARDINALE: Hearings like this get to bring out those kinds of problems and tend to promote resolution of those kinds of problems. I'm not suggesting that there's anything inappropriate with your having met with the Governor, but I think we need to know as the legislative body, what matters are still unresolved. Because if the only matters that we were to look at are the matters that have already been resolved, there's not much point to our being here and bringing all of you here. We want to see if we can't put this thing a little bit more to right.

SENATOR LIPMAN: Right, Senator. I think that's the reason for this hearing, to tell you the truth: to try to clarify.

The Senator has some questions.

SENATOR McMANIMON: Yes. One question does concern me. Is your personnel classified?

MS. CHRISTOPHERSON: Is our personnel classified? Some of our personnel is classified, and some of it is unclassified. But we have far fewer numbers of unclassified than we do-- You know, that number is shrinking.

SENATOR McMANIMON: And your classified, I assume, are project specialists? Is that how you title them in?

MS. CHRISTOPHERSON: Excuse me, I didn't hear you.

SENATOR McMANIMON: Do you title them as project specialists?

MS. CHRISTOPHERSON: We have had some people as project specialists, yes.

SENATOR McMANIMON: I'm sorry. The reason why I asked, I think that when your Council was originally beginning to operate they had classifications, did they not?

SENATOR LIPMAN: Excuse me, just a second. Everybody must speak louder because those persons in the back of the room cannot hear. So, you know, at the expense of sounding like you're on the stage, you're going to have to do that.

SENATOR McMANIMON: I was just curious because, basically, I know the intent of State government and -- out of defense of the Secretary of State -- that their rule was in the direction of taking nonclassified people, such as project specialists, and on the cutbacks concept. I know basically if she was following the initial pattern, that she stepped into after Jane Burgio had originally been Secretary of State -- and whom I have the utmost respect for -- and she tried to adopt her philosophy, and I think maybe this is where some of the controversy was generated.

I've often wondered-- I didn't think the Arts Council personnel were all classified. Then I find out later that they originally started with classified positions, gradually did away with the classified positions, and started taking the title of project specialists. I was wondering if that was the intent in entirety?

MS. CHRISTOPHERSON: I can't speak for all of the early history, but I think what you're also driving at is: If you need to fire people who should you fire first? And, I think that the point that we're trying to make is-- Because

all parties have agreed that we have sufficient funds to pay for personnel. If we have sufficient funds to pay for personnel then there's no need to fire either classified or unclassified people. I think that's what we're trying to get across; that we're making certain that people have the adequate funding under a very difficult situation. We also have the ability to use Federal funds because they believe the type of personnel that we have supporting the process is so important.

SENATOR McMANIMON: I tried to first analyze how this major problem came about because I was always under the assumption that the Arts Council had autonomy; that you're an autonomous body. And it is apparent that even reading those statements, that out of respect to Jane Burgio, it appears that the Council had acquiesced to Jane's philosophy. I think maybe this is where Joan Haberle had picked up part of her philosophy, and that's how we got into this conflict of the layoffs and her assuming the role that she did.

C E L E S T E S. P E N N E Y: Could I enter this? I'm Celeste Penney. I was Chairman of the Council from '87 to '89, and was involved in some of the hiring. To my knowledge, Jane Burgio never hired anybody, and I don't quite know why or how the Attorney General got that-- Jane is here, so she could--

But the Executive Director of the Council, empowered by the Council, did searches-- First of all, the type of personnel we needed was established by some of our programs. Then the Executive Director did a search -- sometimes throughout the United States -- interviewed the people, and talked to me about them. When they were decided on, he took them over to the State Department and introduced them. We discussed it many times, but to my knowledge, Jane never hired anybody. She's here and I'm sure she can answer that, but since I'm here, would like to say that.

She also, to my knowledge, never sent anybody over to work at the Arts Council.

SENATOR McMANIMON: I think the question here then is: Why is the Department of State considered the appointing authority?

MS. CHRISTOPHERSON: I think we need legal--

SENATOR STOCKMAN: I think -- and just so no one is confused -- I am not Wynona Lipman, but Wynona had to leave very briefly and will be back. I'll continue to Chair the meeting for awhile.

I think that's a question that goes to the design of the Arts Council which is in, but not of, the Secretary of State's Office, and it's a practice that we find in other departments too, Franny. But the issue and I'd like-- Are there further questions?

SENATOR CARDINALE: Well, that prompts a real question because everything that we've received, up until now, is that the Secretary of State had hired. That's contained in the Attorney General's opinion. I'd like to know where that really lies, because, it bears on this whole-- I don't know what significance it has for the future if we make a determination somewhere: whether that needs to be by legislation, or just by agreement with the Governor's Office.

SENATOR STOCKMAN: Senator, I agree and I think former Secretary of State Burgio and some other witnesses can, perhaps, be helpful on this. My instinct -- but, of course, I'm only one member -- is that we're largely beyond that. But I agree. There does seem to be some confusion or, perhaps, difference of opinion among us about the past practice and--

Celeste, your comment, as well as Chris', seem to suggest that it wasn't a prior practice.

Before we go any further though, I want to make a couple of points, simply because I feel uncomfortable because I'm wearing two hats, here. Some of you know I'm an ex officio member of the Arts Council. I made no opening statement out of deference to the Chairman, Wynona Lipman, who is handling this

meeting. I want to make a couple of points before we get too far.

I absolutely agree with Senator Cardinale. We ought to try to clear up this past practice. I want to say, as an ex officio member, I know and appreciate how much every person who is facing this Committee has committed in the way of their own person, their own energy, their own time, their own feelings, to the Arts Council. And it's true of Franklin Fischer, and many other people who serve on the Arts Council, who are here. It's hard to overstate the amount of time, and energy, and enthusiasm -- for free -- that many people put into this venture known as the Council on the Arts. It's also, I think, something we have to understand because there are many art enthusiasts in this room that it is a very difficult question to reconcile the role of government in the arts: how much government; how little government? And if that were true in the '80s when there were substantial funds, how painfully true it is in the '90s when the situation is different.

If there was one area that, for the most part, I had great respect and admiration for Governor Kean in -- and as some of you know, I differed sharply with him on some issues -- but the one area that I certainly admired was his deep commitment, his sensitivity, and appreciation in the area of the Arts Council and the arts.

There was an early skirmish, and I think we made some progress on it, about the issue of elitism and lack of minority representation. I think that's an ongoing concern that we have to have. Because I think again, for peculiar reasons, that those issues can play into in a very troublesome way our behavior together -- government, private sector, art lovers, people with particular expertise, creativity, and talent in that field. I think we've made progress there, but I think it's going to be a painful journey.

I also want to take a moment, having given some accolades to the Council members, to give some accolades to Barbara Russo who sort of snuck back and has, I think, been caught in a very delicate and difficult position. I'm not saying this is an absolute endorsement of her (laughter) as Executive Director, but if you want to take it that way, I won't be adverse to it.

But seriously, getting back to this question, the Attorney General's opinion -- and you have it Tiz, because it was sent to you -- does raise a question that seems to conflict a little bit. I don't think the Committee wants to over dwell on this, but you'll notice in paragraph 2 of his letter concerning the personnel appointments, he suggests that David Miller who served as Assistant to the Executive Director of the Arts Council was appointed on April 9 by the then Secretary of State, Jane Burgio. He also says that Terry Marshall was hired by Secretary Burgio on November 16 as a project specialist. Now these comments in this opinion may be inaccurate. I don't know. But you saw them. Can you clarify that, perhaps, for us?

MS. PENNEY: I think Jane would.

SENATOR STOCKMAN: All right. Maybe Jane would be better for that. All right, let's do that at some point.

Are there any other questions of our first Council member? (no response) Celeste, you want to make a statement, I think?

MS. PENNEY: Yes. I just have a brief statement.

SENATOR STOCKMAN: All right. Are there any other questions of the second witness? (negative response)

All right. Why don't you make your statement?

MS. PENNEY: Thank you, Senator Stockman and distinguished Committee members for letting me speak. Also, I'd like to thank you for letting me speak before Clement. (laughter) It's an in-joke. You all may not know what it is, but when you hear Clement, you'll know. Senator Lipman knows.

SENATOR LIPMAN: Yes, I do know.

MS. PENNEY: So this was a break for me.

I am here today because I feel the New Jersey State Council on the Arts is in risk of no longer being able to do the job it is mandated to do by its enabling legislation. The New Jersey Legislature created the Arts Council 25 years ago with a mission to support and promote the arts in New Jersey. Over the years, the Council has received statewide and national recognition for the initiatives and programs it has developed.

It was named a model agency by the National Endowment, and we had the honor of addressing the National Council, on the arts in New Jersey.

I can say, as an aside, that was a thrill. It was a thrill to be from New Jersey that day. During this period, the arts in New Jersey have flourished and many of our organizations have received recognition throughout the United States. The Paper Mill Playhouse, Crossroads Theater, and the New Jersey Chamber Music Society have appeared nationally on Channel 13's "Great Performances." This winter, Rick Khan and members of Crossroads Theater were received by President Bush. I know, firsthand, that the results of the Arts Council's programs have been the envy of the other 49 states.

We, on the Council, take our mandate seriously for we know we were created by the Legislature to make a difference; a difference in the lives of the citizens of this State who make up the audiences, and a difference in the lives of the individual artists and the administrators who lead the arts organization. To serve our large, ever-changing, constituency requires listening, planning, strategizing, decision-making, setting goals, and stretching to meet them. It requires as well, the ability to look to the future to see if we need to refocus and rethink our priorities. To accomplish our mission we need the respect of the administration. Furthermore, we

need a qualified, paid staff responsible to the Executive Director.

We understand the need for budget reductions and personnel cutbacks. Our point is that the implementation of the cutbacks and the selection of personnel involved should be the role of the Executive Director. The Executive Director consulting with the Council should be allowed to select the staff when additions or replacements are made. A significant portion of the staff was dismissed or transferred with no regard for adequate replacements. Truly, not just anyone who may be available that day from some other office can do justice to the more than thousand artists who put their hearts and souls into their applications.

The Council was created to ensure that an independent and professional process exists for the awarding of State funds to artists and arts organizations. To do this, the Council pays honoraria to qualified consultants to evaluate each and every application submitted to it. We, on the Council, feel that this panel process is the only sound, fair, and honest system available to us at present. It ensures that personal agendas of Council members, staff, and others will be not be part of our deliberations. I do not believe in absolutes, but I stand by the paid panel system until I can be convinced of a better one.

We insist that the groups we fund not only have superior artistry, but have managerial and fiscal accountability. How can we not ask the same for ourselves? If the Council is to fulfill its mission in the spirit of the enabling legislation, it also must be allowed to create policy and maintain the integrity of the panel review process.

Within the last few weeks, the administration has given some recognition to the current situation by reinstating certain personnel. These actions are welcome and seemingly indicate a recognition of some of the needs of the Council.

However, it is imperative that the Council receive a permanent commitment from the administration that the debilitating process which has taken place over the past year shall not be repeated.

SENATOR LIPMAN: All right. Questions?

SENATOR CARDINALE: Yes, that raises an issue that I think is really critical to this. I get the impression from your statement, and correct me if I'm wrong, that you feel that in the current administration -- let's just say it that way -- that the independence of your hiring process has somehow been threatened.

MS. PENNEY: Yes.

SENATOR CARDINALE: Have there been people that you have been encouraged to hire by the administration that were people you might otherwise not have hired?

MS. PENNEY: Well there are people on the staff today who were sent by, I guess, the administration.

SENATOR CARDINALE: And those are people you might otherwise not have hired?

MS. PENNEY: Well, we probably--

SENATOR CARDINALE: I don't know what you mean by "sent"? Can you expand on that a little bit?

MS. PENNEY: They were transferred from the Secretary of State's Office to the Arts Council. You know, members of our staff were let go and then someone that the Secretary of State put in their place--

SENATOR CARDINALE: And that's a departure from past practice.

MS. PENNEY: Oh, absolutely.

SENATOR LIPMAN: All right. Questions?

SENATOR HAINES: You say the word debilitating. Is this the only thing that has happened causes you to use that word?

MS. PENNEY: You mean the staff?

SENATOR HAINES: The staff, yes.

MS. PENNEY: Well, we have had some discussions about the paid panel process, and that's something I feel very, very strongly about; about the possibilities of not paying, of not giving honoraria to the panels. I understand that we are going to do that, but there was a discussion that we might use volunteers or, I believe, Council members. So, no, that's not the only thing. I feel, I may underscore, how having been involved in it for eight years, I guess, and been on the Grants Committee and been to the panel meetings, may I stress to you how important I feel it is for us to be able to have these professional people give us their -- for the most part -- very fine advice.

SENATOR HAINES: In other words you're losing your independence rapidly. Is this properly put or not?

MS. PENNEY: Yes.

MS. CHRISTOPHERSON: I think there's another way to describe things. When we're talking about the panel process, I think part of the problem is that the information on whether we could, indeed, pay our panelists -- which we have money set aside for from our Federal/State grant to pay our panelists-- And I believe that because of the series of actions intended to create economies in the government that our information on whether we could pay the panelists came to us so late that 120 panelists could not be scheduled to meet on March 7, when we normally would be holding our panel system. Instead, that has been delayed until April. So that is seriously putting us behind in some of our work, in terms of awarding the grants in time for the groups in July.

SENATOR LIPMAN: Sharon, you were going to explain further about the grants process. I just wanted to ask her one question before you start, please.

About paid and unpaid panels: Do you pay your panels presently?

MS. CHRISTOPHERSON: Excuse me?

SENATOR LIPMAN: You pay the panels who select the grantees?

MS. PENNEY: Yes, they receive an honoraria.

SENATOR LIPMAN: Is this a procedure that's used in other states that is required by the National Endowment?

MS. PENNEY: Yes. Oh, yes.

MS. CHRISTOPHERSON: We follow it, and this is to support the standards that are required to receive a State grant. Indeed, we follow procedures that are very similar in other states.

MS. PENNEY: And the National Endowment uses this. For instance, Phil Thomas, who's down at the National Endowment today, on a panel-- I mean this is a recognized procedure in the scientific community and the arts community. It's recognized as the best way to do it.

SENATOR LIPMAN: You sort of intimated, or maybe you said, that there had been a plan to not pay the panels this year.

MS. PENNEY: Well there was a discussion of that, yes.

SENATOR LIPMAN: I don't think I understood where this discussion led. Will they be paid or won't they be paid?

MS. PENNEY: Yes, they're going to be paid.

SENATOR LIPMAN: They're going to be paid this year.

MS. CHRISTOPHERSON: The panelists are going to be paid, but as late as February 19 in a letter from the Department, we were informed that the panelists were not going to be paid. In December, we applied for an exemption to the opportunity to hire these people which might have been considered as project specialists. But indeed, as late as February 19 -- and 120 people were scheduled to show up on March 7 -- and the time was so short when prior to that time

they had been asked to come in and serve as volunteers because we were told that there would be no money-- And indeed, on February 19, we were told that there would be no money. Then shortly thereafter, it turned out that we could use the Federal money to pay the panelists.

And Sharon is our new Grants Chairman which-- I'm very pleased to say that she is serving as Grants Chairman for the Council because we've had some changing faces, too, and we're delighted she has accepted this opportunity after Franklin Fischer and Carlos Hernandez this year.

MS. PENNEY: Could I just say one other thing, Senator Lipman? One thing that really disturbs me, possibly it's personal because I have a son who's a sculptor and I know how difficult it is for him to get money. I know what he puts into his applications. He doesn't live in New Jersey. I know what he puts into his applications; it's really his life. I was told that anybody could do this job, this job of processing the applications. That has really stuck with me, and I'm glad to say that because I'm bothered by the lack of respect for the artists and the art community in the State. That's something that I would really like to have not happen again.

So, that's it, unless you want to ask me a question.

SENATOR LIPMAN: No. Senator McManimon, Senator Stockman, questions?

SENATOR McMANIMON: She brought one thing out, very important, the lack of sensitivity in people and mutual respect. I think they do have to straighten that out, not only in government, but in our whole way of life.

MS. PENNEY: Right. I agree with you. I think this is very important. I think Senator Stockman, who has been on the Arts Council these years, brought that up, too. I think this is very important and something that the arts does do for us.

SENATOR McMANIMON: That's why we had Senator Stockman sit in Senator Lipman's place for those few minutes.

SENATOR STOCKMAN: I'd just like to say that, Celeste, we all know how deeply you feel about the subject. We all know the tremendous energy and time you've put into it. You used a phrase, "We need a permanent commitment from the administration." I absolutely agree with you. We need a permanent commitment for respect and appreciation for artists and for dealing with them, interfacing with them, and providing funding for them. If you're talking about a permanent commitment of a specific amount of money, you know and I know--

MS. PENNEY: Oh, no. I'm talking about a permanent commitment for the Arts Council to be able to make policy and run itself.

SENATOR STOCKMAN: And I know you understand that. I understand that, but I think it's always important--

MS. PENNEY: Oh, I understand all too well budget problems.

SENATOR STOCKMAN: And that's what we've got to be dealing with here, as well. But I think we understand that.

SENATOR LIPMAN: All right. Sharon?

S H A R O N H A R R I N G T O N: Madam Chairman, members of the Committee, I want to thank you for inviting me here today to discuss my experience as a member of the New Jersey State Council on the Arts.

I considered it to be an honor and a privilege to serve as Governor Florio's first appointment to this board as I believe Elizabeth Christopherson and Celeste Penney must have when then Governor Kean selected them.

The day I was sworn in, just about one year ago, today, was the same day that Governor Florio appeared at the first Arts Council meeting to be held after he took office. He had two messages that day: That the arts in all forms are a critical ingredient of New Jersey's fabric, and that

unfortunately, we would have to use our resourcefulness and creativity more than might have been anticipated. We, like all of government, were being asked to do more with less. The flush days were over due to an unanticipated and unprecedented budget problem which he inherited.

The arts community met that challenge exercising patience, understanding, cooperation, resourcefulness, and performed virtual magic. These efforts were truly a favor to the Arts Council and a credit to the entire arts community in New Jersey. Like the many times they've taken the lead and served as national models, our arts organizations can be a role model to organizations in surrounding states who are now challenged with reduced budgets.

This first year of my term has been a very exciting learning experience. I have been supported by my more senior colleagues who have given of their time and knowledge very generously. There's a great deal more to learn, but I have had the opportunity to participate in a cultural bond hearing cycle, a grant cycle, policy and planning meetings, and a year of working with a knowledgeable, supportive, and most professional staff. They are truly a credit to New Jersey. We have worked together during the past few difficult months to forge a new working relationship; one that relies on the cooperation of the Council with the staff and which will maintain the professionalism which has been in place for many years.

There have been acknowledged here this morning, various understandings of relationships between the Council and our Department. I assure you for my part, I intend to work cooperatively and to take advantage of the help Secretary Haberle has offered.

Recent controversies have forced us to examine past procedures, evaluate our involvement and assess the responsibility we, as Council members, assume. After a

difficult period of time, areas of responsibilities have been defined. Secretary Haberle asked General Del Tufo to review our respective roles, and we are moving forward with every intention of making the partnership between State government and the arts community work.

I have been asked to serve as Chairman of the Grants Committee and as Cochairman of the Search Committee for a new Executive Director. I do both enthusiastically.

I want to point out, however -- and you senators who serve the public know and appreciate this -- that the time involved in doing this job well, to which Senator Stockman alluded, is great. My colleagues at the Arts Council devote a great deal of time and energy to serving on this board. It consumes many hours beyond Council meetings. This dedicated and committed group each serves on a couple of Arts Council committees as well as devoting significant time to attending performances and exhibits, and bringing a personal understanding to the objective review process.

We realize your responsibility and the privilege of serving our State, and we want to hear your guidance in our doing it well.

Thank you.

SENATOR LIPMAN: Senators? (negative response)

I'd like to ask you a question; you, and I think Ms. Penney. You are both on the Search Committee for a new Executive Director?

MS. HARRINGTON: We are, yes.

SENATOR LIPMAN: How do you proceed with such a search?

MS. HARRINGTON: We met in December and developed a job description, job specification. There is a full Search Committee. We met with the Search Committee, agreed to the terms and the framework and the kinds of qualifications we thought would be important for an Executive Director, established some time guidelines which were concurred by the

full Council and had submitted these criteria and requests for applications to about 15 publications throughout the country.

SENATOR LIPMAN: Then you don't have a list yet of probable candidates?

MS. PENNEY: Oh, yes.

MS. HARRINGTON: We're still receiving applications.

MS. PENNEY: We gave them until April 1--

MS. HARRINGTON: April 1 is the cutoff. It said in our announcement that they had to have their applications in by April 1.

MS. PENNEY: --because we had to offer enough leave time because of the publication times of the various journals. You know, some took a couple of weeks, some took a month or so to get it in.

SENATOR LIPMAN: In an effort to cast some more light on this situation, how will you react when you submit your selection for a candidate for Executive Director-- To whom will you submit this request, and how do you think it will be handled? In other words, are you ready now to select your own personnel, hiring, firing?

MS. CHRISTOPHERSON: That was our intention all along, and I believe Dr. Price who was here and able to speak about the first time we had a search, when we had Jeff Kesper. I think we were planning to, indeed, repeat that procedure.

SENATOR LIPMAN: I'm just, you know, playing the devil's advocate.

MS. CHRISTOPHERSON: The Council will again take a vote on the recommendation. Of course we want to work cooperatively. I think, in the past, we've included--

MS. PENNEY: I think the Committee, the Search Committee, will look at all the applications. We have criteria, and some of these people-- I mean, I don't know if everyone falls in the criteria, but we will probably take the ones that do, go over them with the Search Committee, decide on

the ones we want to interview, then we will interview them, and make a recommendation. That's the normal procedure, I think. And the recommendation will be voted on by the Council. We've said we hope to do that at the annual meeting in July, and that is our hope.

SENATOR LIPMAN: All right.

SENATOR STOCKMAN: Madam Chair?

SENATOR LIPMAN: Yes.

SENATOR STOCKMAN: Just one question, Sharon. You have the awesome job of overseeing now this grants process. I know your colleagues wouldn't have talked you into that job if you didn't have the time and the skill to do it. There was a comment that there's been a serious delay. I think we all appreciate that there's been a bit of a storm going on. We hope that today is the time for resolving that. But are you satisfied that you have the capacity with the help of Barbara Russo and other staff members to get the job done this year of fairly and adequately allocating what modest resources the Council will have to distribute to arts groups?

MS. HARRINGTON: We've met and have every intention of making sure that we meet our schedule. Yes.

SENATOR STOCKMAN: Do your colleagues share that optimism, I hope?

MS. HARRINGTON: I think, to some extent, it depends on ensuring that we have adequate staffing at the Council offices to perform this.

SENATOR STOCKMAN: Well, the immediate staff question, as I understand, has been resolved.

SENATOR LIPMAN: No. I don't think so.

SENATOR STOCKMAN: Well, which one hasn't been.

MS. CHRISTOPHERSON: I think Sharon is absolutely right. We do have every intention of doing everything coming in on time with this, but it will take a concerted effort, and there are some outstanding issues. A particular example is:

someone named Angelo Hall, who was the only computer specialist. I think he was working on a daily basis with grants, and he has been transferred outside of the Department of State: issues like that. Still, we're working very hard and we've had the commitment to address these issues, but I think those are still outstanding on a short-term basis. And there are others, if you would like Barbara Russo to speak to the other issues. Barbara, do you want to say something?

MS. RUSSO: Thank you for your compliments, earlier.

SENATOR STOCKMAN: It might get you in trouble.
(laughter)

MS. RUSSO: I know, it might. (laughter)

I think the Council's staff, working very closely with the Grants Committee, is making every effort to stay on track with the grants process. We currently don't have all of the pieces in place yet. We need the computer services that had been provided, and the Governor's Office has been very proactive in seeing that we have these services. When they're in place, I'll feel a lot more comfortable in making a commitment as to whether or not we can meet the July deadline. We're perilously close to trying to maintain a panel schedule that then feeds into a Grants Committee review, that then feeds into a full Council review. Our panels should have started this week, so that every day that we delay is another day that we push the back end of that cycle.

We're trying creative things, double scheduling some of our panels when we have staff that can manage one and manage another, but there's a lot of coordinating activity that must go into, you know, finding panelists who can serve. We try to get at least five panelists per panel. We have over 30 panel meetings scheduled during the spring. It's a labor-intensive job preparing for these meetings, whether it's loading slides, preparing files, or making sure that the adequate review of the applications beforehand has happened. And that's all of the

work that's being delayed while we work out some of these--

SENATOR STOCKMAN: Madam Chair, if it would seem appropriate to you and to the Committee, I would suggest that, perhaps the Council, through the Executive Director, notify you of whether this process is on target and is going to be able to be accomplished. I hear very clearly an optimism, a hopefulness, a desire to cooperate work. All that's wonderful, but I don't hear that final statement that the job is done, or we're absolutely confident it can be. Perhaps from the administration's point of view and ours, if there's something the Legislature could do, we would certainly want to do it, because I think we all want to see that process not impaired, not crippled at this time. It's going to be tough.

There are going to be a lot of unhappy people. All of that is understood, I think, by everybody here. But I'd ask if the Executive Director or the Chairman of the Arts Council could report to you a progress on that, if there seems to be any faltering or misdirections in seeing to its conclusion.

SENATOR LIPMAN: Yes, perhaps we could help. I'd really appreciate that. I'm sure all of the members of this Committee would enjoy having that.

Thank you Barbara.

SENATOR HAINES: Madam Chairman?

SENATOR LIPMAN: Yes, Senator.

SENATOR HAINES: I think there are still some things that are left hanging here and one of the main things is that your staff is assigned to other parts of the Department of State, and you're paying the bill. Why can't that stop? I mean the outflow of money and the outflow of personnel, can we do something about that? Is there something that can be done? I personally think that that's the wrong way to go.

SENATOR CARDINALE: It's also -- and you can answer this together -- very confusing to me to hear that these people have been removed but, Barbara used the word the "proactive"

position on the part of the Governor's Office. I suppose that she means to seek a way that these things are changed. Well, why has that not been changed on an immediate basis? These people are on your payroll; it's not a question of hiring people. It's a question of someone telling them to go to a different office in the morning to work. It does not seem to me to be so difficult a thing to put in place, especially you have a substantial amount of grants that you're going to award. That's a lot of money. That because we have a computer person assigned somewhere improperly, and there seems to be agreement that it's an improper assignment, we then are jeopardizing the accuracy or the good that we're going to have come out of these awards.

MS. CHRISTOPHERSON: All I can repeat is to say that we're putting in a concerted effort to take the most vigorous steps possible to see that we do have the staff that we need, and that we do have the commitment from the Governor's Office, as of last week, that these short-term, immediate, and very serious needs, will be addressed.

SENATOR CARDINALE: Have you identified who has to give the order to the computer operator, just to be specific about one position, to return to this position?

MS. CHRISTOPHERSON: Well, the situation with the computer operator is a little bit more-- All these things are more complex than they obviously seem on the surface. One situation with this is that this person was transferred out before we had a resolution or response back from the Attorney General confirming -- firming the July opinion, the statutory legislation, and now that individual has been offered the opportunity-- He was in the position of a project specialist, which is not a permanent status, and has now been offered the opportunity, as I understand it, to be in another department which would allow him additional career opportunities and a

permanent status, I believe. I haven't been involved in the negotiations.

SENATOR LIPMAN: You mean he has another job, is what you're saying.

MS. CHRISTOPHERSON: And in a conversation just yesterday, that there would be some attempt to try to see if we couldn't have him on a short-term basis. But, in the meantime, what we're left with is that we're without an individual to do the specific functions. There's no one there trained and qualified to do this very necessary function on a short-term basis.

SENATOR CARDINALE: Wouldn't it be very possible for you to hire someone, if you didn't have to pay the other person? You can now hire someone, if that individual doesn't want to come back.

MS. CHRISTOPHERSON: I think we could always hire people. There's a question-- There's a training period in any job, and the point is that we're in the midst of the grants. One of the problems is that we're in the midst of the grants process. I think none of us are indispensable in our roles-- I like to think there's lots of people who can -- given the right knowledge and so forth -- carry out different functions, but the truth of the matter is, that when you have a very lean staff, you don't have extra people as backup. I mean, we prayed that this fellow did not get sick before this, because we did not have the opportunity, or luxury, of having any backup person to do this particular and important work of providing all the data information that was necessary for a Federal grant and for our State grants.

SENATOR CARDINALE: Are you, in any sense, impeded by the hiring freeze from replacing these people?

MS. CHRISTOPHERSON: I believe that there's going to be an effort to work through that. Again, I'm not certain how

that will be resolved, but I have understood that there's going to be an effort to work through that.

SENATOR CARDINALE: Have you looked into whether this individual got whatever waivers are necessary under the hiring freeze to be employed in another department, or has this been done without regard to that particular requirement?

MS. RUSSO: I think, just to clarify it, the people that were transferred are, as you mentioned, still on our payroll and still serving in positions on our payroll. I would have to defer to Eddie Durham -- or someone from the Division of Administration who has seen all of those printout sheets -- to know which positions are currently open that would be available to the Council to use to hire people into.

SENATOR CARDINALE: That raises another issue that I think is an important one. If you are paying people who are not showing up to work for you, is that a reasonable administrative practice? (laughter)

MS. CHRISTOPHERSON: We're extremely concerned about the question of accountability. And I think that's what I didn't spell out -- but indeed, I've tried to list -- that accountability is critical for any kind of fiscal accountability. When we talk about fiscal -- and legal implications -- that's, indeed, one of the implications -- that you must have people accountable to you in order to be accountable to the general public with general funds.

SENATOR CARDINALE: Just one further comment. It would seem to me that from everything that you've said, and from what I know about general processes in government -- and I've been around this place for about 12 years -- that if your Executive Director, from what has developed here, ordered those people tomorrow morning to show up to work or be removed from your payroll, I think they would be required, no matter what anybody else says, to show up to work where they are being paid.

MS. CHRISTOPHERSON: (laughter) So ordered.

If that's the productive way to go, I don't know.

SENATOR CARDINALE: I'm not an attorney. I defer to Jerry for his legal expertise. (laughter)

SENATOR STOCKMAN: Madam Chairlady, from what I see, I don't think we're going to resolve this question in the midst of this group, in this hearing, at this moment. I think the message is clear.

SENATOR LIPMAN: Yes, we've heard. I hear you.

We have asked Mr. Durham to return to tell us where your people are transferred.

Now we have Professor Clement Price.

P R O F E S S O R C L E M E N T A . P R I C E: Thank you very much, Senator, and other members of the Committee. Much of what needs to be said has already been said by my colleagues and friends before you. I would just like to perhaps touch on two or three issues.

It occurred to me as I was listening to the testimony here that if there were two songs that characterized the mood of the arts in New Jersey right now, particularly over the last few weeks when there's been so much sadness, one would be Samuel Barber's "Adagio for Strings" and the other would be B. B. King's "The Thrill is Gone." (laughter) I say that in all seriousness because I think I've served on the Arts Council long enough to know an earlier period of sadness. I think it was 1979 when The New York Times, among other national papers, saw cause to write several stories about what was going on in New Jersey at the time as far as the arts were concerned. I came on to the Arts Council a few months after that, and I learned in many trips across the State, and across the country, that New Jersey was at its nadir in the late '70s as far as the arts were concerned. Our Arts Council had the unenviable distinction of being under investigation by the NEA.

I don't know if such a sorry state of affairs has returned, but I do think it was at the heart of our concern.

It's twofold. One, most of us have come to see the Arts Council as representative of civic service. It is a public service to the State. I think those on the Committee who know something about the history of this great State, will know that New Jersey was one of the first states in the Union to appoint committees -- citizen-driven committees -- which gave the average citizen an opportunity to participate in the evolution of democracy. It goes all the way back to Woodrow Wilson. It seems to me that that is now under attack or under threat, at least.

This Council has distinguished itself over the three administrations that I served; the Byrne administration; the Kean administration; and the Florio administration. I don't know why, all of a sudden, the wisdom that is embodied in these distinguished citizens of our State -- the wisdom that is embodied in our staff, has been besmirched by the actions that have been taken?

I'll say this: For years I served as the Chairman of the Arts Council, and in that capacity I served on an NEA panel. I went to about three or four states in the country which had a problem which reminds me of our problem: interference in what citizens do for the arts, interference with what artists know about the arts, and what the interest of artists know about the arts. California, Florida, New Hampshire, the American Virgin Islands, all flirted at one time in their history with trying to turn the arts into a enterprise not deserving of citizen impact and infusion. That's the issue here, whether Tiz, Celeste, Sharon, and others that serve along with them can make intelligent decisions -- decisions informed by understanding of the arts.

I daresay we wouldn't allow this in education. We wouldn't allow it in public health, and I don't think we would allow it in environmental protection issues. But somehow the arts -- always vulnerable, always the stepchild -- is being

treated in a way which I think is essentially undemocratic.

Let me just close my remarks by saying that there are three things that I think are required by all people who serve the arts, who love the arts, who see the arts as a cornerstone -- one of the cornerstones of our democracy, our way of life here:

1) The arts must be protected from intrusion, even the kind of polite intrusion which has been cited in this testimony so far.

2) The reputation of New Jersey is inextricably linked to its reputation in the arts. Why? Because we were once referred to as a wasteland for the arts. And it took us several years to make that old saw irreverent and irrelevant. Once the image of New Jersey as a political arts hack state returns, it will take the next generation of people like Tiz, Celeste, Sharon, and others, to get us back on track again.

And finally, this is the main point I want to make: These councils and commissions that are driven by the citizens of our State, by their sense of what is fair, what is right, by what they know about the arts, should not be intruded upon. It must be protected by the women and men who serve on this Committee.

I thank you for allowing me to participate. The last several weeks have been very sad for me because I see a lot of good work threatened unnecessarily.

Thank you very much. (applause)

SENATOR LIPMAN: I want to thank you too, Clement, for breaking up your vacation to come and testify at this hearing. We appreciate it very much.

Senator?

SENATOR HAINES: Can I say just one thing?

Isn't "independence" a word that should be used here; that the arts should be independent? I think the Arts Council is put in the Department of State -- not that the Department of

State or the front offices should run it -- but it's put in there for financing and so forth, and the Arts Council should be independent. That's what we want and that's what we should strive for, and we have lost that. We have lost some of that.

PROFESSOR PRICE: I would agree with you, Senator. Yes, it should be independent, autonomous, with the kind of oversight that you would expect from our colleagues and our friends who administer State government. The history of these kinds of agencies has always involved a kind of delicate balance between citizens and those who are sworn to uphold, not only the Constitution -- actually all of us swear to uphold the Constitution when we come on to the Council, but there's always been this delicate balance between what the Council sees fit for the arts and what the administration sees fit in terms of budgetary restrictions, and all of that.

That balance seems to have been tipped away from the independence of the Arts Council. I don't mean to point fingers. I certainly don't intend to call names, but it may be that some of us -- perhaps some of us in this room -- do not know that this Council represents a certain tradition in democracy, and that tradition simply cannot be usurped. It can't be meddled with. And I say that in all seriousness because in those states, and I listed them intentionally-- Because if the NEA gets wind of the possibility that we are not doing things here in New Jersey which are commensurate with the way professional arts agencies are run, I assure you, Senator, it will be a sad day in New Jersey.

SENATOR HAINES: One of the things that bothers me a great deal is not the amount of money we're spending on sports, not the amount of money that we're spending on scholarships for athletes, but the fact that if you compare that amount of money with the amount of money spent on arts, it's pitiful. It's absolutely pitiful. (applause)

I was fortunate enough to have a classmate, and a very good friend of mine in high school, to be Steve Sondheim, and what he's done for the world-- And it's not to knock professional football, but some of our football heroes will be forgotten in another generation; Steve Sondheim will not be.

PROFESSOR PRICE: Indeed. Art has this distinction over all other human endeavors; it is truly endearing. I don't think that sports, as an industry, as an objective force in our society, can make that same claim, Senator.

SENATOR LIPMAN: Senator Jerry Stockman.

SENATOR STOCKMAN: First of all I want to express enthusiasm for Senator Haines' notion that there should be more government spending, and I'm going to talk to them shortly about some tax bills that I have. (laughter) But that aside, I'd like to rejoin and ask Clement a question that I can't resist because you touched a very--

SENATOR HAINES: Senator Stockman, most of the money coming from athletic scholarships doesn't come from State government.

SENATOR STOCKMAN: I was talking about more commitment to the arts and spending for the arts.

SENATOR LIPMAN: In this year's budget, Senator.

SENATOR STOCKMAN: And again, you know I'm ready to listen; to debate about raising that money. (laughter)

But Clement, you spoke eloquently, and once more so very, very deeply from the heart, in your comments. I don't seriously quarrel with your restlessness and distress that something hasn't been going right in what's occurring in this area. But you opened another door that I can't resist, when you alluded to the fact that in other areas we wouldn't put up with the kind of delivery, the kind of results that we are seeing threatened here, and you referred to education. I will say to you that I would like to ask you whether you think in this last decade, that in the area of public education in our

poor districts, whether we New Jerseyans have delivered the kind of quality performance, the kind of system, the kind of delivery that we could be equally proud of? I think I know the answer, but I can't resist asking you that question when you made the comment.

PROFESSOR PRICE: I want to thank the Senator for asking me such a simple question. (laughter)

SENATOR STOCKMAN: In some people's minds it's very simple. They have a very quick, simple answer.

PROFESSOR PRICE: I don't have a simple answer, Senator. I'll say this: It seems to me -- and again, I speak oftentimes as a student of history -- if you look at the history of public education, it was usually directed at salvaging the lives of the poorest people in our society. One could easily argue that the public schools system of the United States was started to deal with the Irish who were perceived to be a backward people, a people who could not be assimilated into American society.

SENATOR McMANIMON: No more. (laughter)

PROFESSOR PRICE: And here in New Jersey, public school education expanded when the Jews and the Italians and the Poles and Hungarians settled this State in the late 19th, early 20th centuries. Something happened around mid-century wherein public education seemed to be more enthusiastically focused on the beneficiaries of American democracy, and not those who are still victims of American democracy. That is to say that we've lost our way as far as the true objective of public education; that is to essentially uplift those, who through no other means besides education, will become uplifted in American society. I think it's a philosophical question of very broad and deep dimension.

I think it has a lot to do, quite frankly, with our abandonment of our cities. I think it has a lot to do with the issue of race in American society. Of all of the groups that

have not had a great encounter with public education in the history of the republic it's the darker groups who have always had-- It's the darker groups that the encounter has been most testy, most riddled with tension, most unsuccessful.

SENATOR STOCKMAN: So would you take back the statement that we wouldn't allow the kinds of problems that we're having here to flourish in public education?

PROFESSOR PRICE: No. My statement about public education-- We would not allow noneducated people to monitor, to direct the future of education. Education requires what? A credentialled-- It's a credentialing experience, and most of the people who are involved in education have gone through the process.

What I'm suggesting is that the arts, perhaps because of its traditional vulnerability, is somehow perceived as something which is not serious enough to arts informed or arts educated people to be at the helm of policy-making decisions. That's what I meant to suggest, Senator. That we would not allow uninitiated educators to dictate policy in the area of education or -- and I gave some other examples -- environmental protection. We now see those as very substantial and important and informed aspects of our State government.

SENATOR STOCKMAN: And this is very helpful to me, in terms of understanding to me-- Are you expressing a satisfaction with the educational system that we're functioning with--

PROFESSOR PRICE: Oh no, I remain-- I live in Newark. I remain very concerned about the value of our public education.

SENATOR STOCKMAN: Well, what I'm trying to press, and the Chairman has been very understanding, as have my colleagues, but I'll just press on. Is the broad expression of not allowing it to happen in education, in my sense it is happening in education, but--

SENATOR LIPMAN: All right.

SENATOR CARDINALE: Madam Chairman, just as a short response to Jerry, there.

SENATOR LIPMAN: Oh, no. Education, not art?

SENATOR CARDINALE: I think there is a point here that really should be made and that is that their complaint essentially is that -- at least a portion of it -- the moneys which have already been allocated for their purpose, are being diverted to other purposes.

SENATOR STOCKMAN: I understand, and I agree with it.

SENATOR CARDINALE: We recently passed a bill that took educational moneys and diverted them to other purposes.

SENATOR STOCKMAN: Well, now if you want to get into that Senator, I will happily debate you on that subject; very, very willingly. (laughter)

SENATOR CARDINALE: I didn't vote for it.

SENATOR McMANIMON: I'm sitting here trying to be a good boy. I heard Senator Haines mention get into the athletes, and Jerry get into the education, and I think we'd all better face it: Art comes in many forms. And let's never lose sight of that, whether it be in sports, whether it be in education, whether it be otherwise. So, I held my tongue on that one.

SENATOR LIPMAN: Before you go, I want to thank you all for being so frank, but now I just want you all to think about a couple of questions. You've answered them, partially, and some I don't think have been resolved. I'm like Senator Cardinale, right now.

Do you agree with the Attorney General's decision that the Arts Council has acquiesced to personnel decisions made by the Secretary of State? Do you agree to this?

MS. PENNEY: No.

SENATOR LIPMAN: You do not agree to this. You did not acquiesce?

MS. PENNEY: No.

SENATOR LIPMAN: All right. But it did happen?

MS. PENNEY: Well I think it was something to do with the fact-- You would have to talk to Jane, because I'm not-- But she had to sign off-- I mean we -- the staff and the Council -- did the hiring, but she had to sign off. That's something to do with government.

SENATOR LIPMAN: All right. You seem to indicate that you've taken steps to reassert your responsibility of hiring and firing.

MS. CHRISTOPHERSON: I would also say that prior to this, that there in an effort -- in what I said in my speech-- I believe that in an effort to accommodate what we really understood, a change in administration, and a serious economic situation, that we were going to hold to the bottom line what was absolutely essential and to try to be accommodating. All along, I think, that the arts community had stated that they were willing to take their fair share of cuts, that they were willing to do something in the spirit of accommodation. No one welcomed that, but I think there was reluctant acceptance that certain changes needed to be made. So I don't consider that, in a sense, abdicating our responsibility. I think it's acquiescence to a situation. We're trying to create a positive relationship and an ability to go forward.

SENATOR LIPMAN: Now, just one more question. Are you confident that the procedures that you have now begun to get along cooperatively with everyone, and to make some of your own decisions and stand by them -- are you confident, sort of, that these procedures will be effective? Sharon, you answer that.

MS. HARRINGTON: I think that we have every intention of working to make sure that that happens. One of my concerns has been that now that we have, in fact, reestablished the responsibility-- You know, regardless of history and how we came to this circumstance and who the personalities were who

were involved, I think we have now come to a crossroads where we should put that behind us, move forward, establish that indeed, we are the appointing authority, and ensure that we have the ability and take the responsibility in doing that.

SENATOR LIPMAN: All right. I'm satisfied with your testimony now. Before you leave, would you like to, Tiz, point out if there are other members of the Council here?

MS. CHRISTOPHERSON: Absolutely, because this is an extremely hardworking Council. I must say that the Executive Committee who is empowered to act in emergent matters between the Council has met repeatedly, as you might imagine, to discuss the situation, as they have on all issues of concern. Dee Kirk, are you here? Dee, why don't you stand? And I think Franklin Fischer, who you know from 20 years of service? (applause) And I'm not sure other members were able to come. Oh, Assemblywoman Maureen Ogden, who has been a great asset. I believe those are all the Council members present, but certainly we have many friends that we're quite pleased to see. Thank you.

SENATOR LIPMAN: Thank you, very much. Thank you so much for your testimony today.

All right. Senator McManimon will return shortly, but while he's returning I think we will hear one more-- I'm going to call it a panel. It's not really a panel, but we're going to hear it before lunch; that's the legislators who are here, the former Secretary of State, and the representative of the President of the Senate. Mr. William Wright is the representative of the President of the Senate, Assemblywoman Ogden is present. She is the ex officio member of the Council. Former Secretary of State Jane Burgio is here. Is Senator Leanna Brown still here? (negative response) All right, will you three come forward?

Okay. Assemblywoman Ogden.

A S S E M B L Y W O M A N M A U R E E N B. O G D E N:
Thank you very much, Madam Chair, and I thank you for calling this hearing, scheduling it today, and also thank Senator Lynch for working with you and calling upon you, as Chair of the Committee, to hold this hearing. I think that from listening to the testimony this morning and hearing some people say that progress has been made in the past few days, that we see what often happens being repeated here, which is, when the Legislature decides to call a hearing and becomes involved in the process, there's suddenly more action -- and positive action -- than would have occurred otherwise.

As was said earlier, I am an ex officio member of the Arts Council, which means that I am a nonvoting member, but I'm the representative from the Assembly, and Senator Stockman is the ex officio representative from the Senate.

It was Senator Stockman and myself who sponsored a bill to bring the Arts Council back from the Department of State in 1982, I think it was, and Senator Lynch and I sponsored the bond issue, the Quality of Life Bond Issue for \$100 million, \$40 million of which was to go to fund regional art centers.

I'm also the immediate Past Chair of the NCSL, which is the National Conference of State Legislators Committee on Arts, Tourism, and Cultural Affairs. And while Clement Price was talking, I was reminded of what it was like when I was first on that committee, because I was first a member of it in 1982, actually succeeding Jane Burgio, who had been a member before. The Council itself was truly at a low point in the late 1970s and the early 1980s and I was, frankly, embarrassed to have to admit -- because stories were in The New York Times about how the Arts Council was under investigation -- that I was from New Jersey at that point, and an ex officio member of the Arts Council.

But we did see the Arts Council rise to unbelievable heights in 1988 when it was hailed by the National Endowment as one of the leading Arts Councils in the whole country, having gone from the bottom to the top, really, and we all shared a great deal of enthusiasm when that happened. I think, possibly, one of the reasons that I was chosen to be Chair of the Committee was because I used to keep coming with all of these glowing reports of all the incredibly innovative, exciting, and supportive things that we were doing in New Jersey for the arts and really making all the other legislators who were on the Committee very envious that this was happening.

Something that I'd just like to briefly mention, because it's called Arts, Tourism, and Cultural Affairs, and while I've been here this morning I haven't heard this-- But to briefly digress, because we've been talking about the arts in terms of the quality of life, and that, of course, is the first and most important part of the arts. They're the enduring legacy that we have in terms of those who were artists in the past, and what we're going to be passing on in the future.

In terms of economic development -- and this is an issue that is of importance here in the State of New Jersey, as we face a budget deficit that may be somewhere between \$600 million and \$800 million -- is to not forget the role of the arts in economic development. When the cuts were made last year, research was done and we came up with a figure of more than \$700 million that the arts generated. You know, as a resident of Newark, we've been laying plans and working along towards a cultural arts center. If we have that in Newark, and if it has anything like the degree of success of the Lincoln Center, think how much that is going to generate for the City of Newark, and think how vital a force that is going to be for the revitalization of Newark.

But, where we're at today for the arts, one has to seriously question what New Jersey groups are going to be able to perform in that arts center? You know, I hate to say this, but I think that the arts have really been besieged and battered, both in terms of what we're discussing today, and in terms of the loss of dollars. You know, I can't think of any other State agency that has taken a cut of more than 50% in terms of funding, and just about 50% in terms of its personnel.

I was present when the first Executive Director was hired. As an ex officio member I wasn't on any of the committees that interviewed the first round of applicants, but I was very aware of the nationwide search that was conducted, and I did participate in the final day. We spent a whole day interviewing the final candidates for Executive Director. We were very happy that of all of those who came before us, we were able to choose someone who came from New Jersey, Jeff Kesper.

I have really been actually amazed as this controversy has developed to learn that the Executive Director, who was chosen by the Arts Council and is therefore the top manager for the Arts Council, is not responsible for his or her employees, and they in turn, are not responsible to the Executive Director. I can hardly think of any other organization that I know of, in which you have an Executive Director who does not retain the necessary managerial control.

In terms of what's to happen now, it sounds as though certainly positive steps have been taken in terms of the Governor's Office being involved and a liaison being set up between the Secretary of State's Office and the Council itself. I think it was really unfortunate that when cuts had to be made in terms of dollars for programs and also for personnel, that there wasn't a joint process of collaborative action between the Secretary of State, the Executive Director, and members of the Arts Council. I believe that most of this

could have been avoided if there had been a cooperative planning process at the outset.

Clearly, we hope that this is what is going to happen from now on, because the Arts Council certainly has to have the staff restored within the budget confines. We do have to have a commitment that they are going to be able to operate these programs professionally, and I'm particularly concerned about the-- I think there's at least \$12 million, I believe, left of that \$40 million from the bond issue -- that it be spent wisely, and even after its been appropriated through the Legislature, that there be competent personnel there to continue overseeing how it's being spent; that it should be spent according to the way the grants are supposed to be allocated.

So, it's necessary to have the professional people who have the background in this type of program to continue to be there. And it's only with taking such steps, that I believe that it will be possible to restore confidence in the arts community that the Council is being run independently and professionally.

I, in conclusion, Madam Chair, stand ready to work on the Assembly side on a bipartisan basis with you and with others who are very concerned about this situation; that if, as a result of this hearing, the matter isn't resolved and the Legislature needs to take further steps to clearly delineate authority, you have my total commitment to work closely with you.

SENATOR LIPMAN: Thank you very much, Assemblywoman. I know that you have some innovative ideas about the arts; that is, from our side, the Legislature. Perhaps this would be a good forum to throw out -- to put in the air -- the idea of the arts as a total, single agency itself. With the downsizing of government that's going on presently, we may not be able to achieve that, but you did have that idea, didn't you?

ASSEMBLYWOMAN OGDEN: Well, I didn't think to bring it up today. I think that would be the ultimate. To have a cultural agency for the State of New Jersey. I think that--

SENATOR LIPMAN: That would be ideal.

ASSEMBLYWOMAN OGDEN: --would be the ideal. I think if that could -- in some administration at some future date-- If that could actually take place, then the arts would be placed in their true perspective, if we had a cultural arts agency. A number of other states actually do that. I'd say almost half of the states do so it isn't as though we would be going into totally new ground.

SENATOR LIPMAN: Untried ground. Very good.

Senator, do you have questions for the Assemblywoman? (negative response) All right.

I have to just point out that Senator Ewing, who also has a vital interest in the arts, has joined us and he will make a statement.

So now let's see who's next.

Former Secretary of State Jane Burgio, you've heard your name mentioned a couple of times today. Perhaps you can clarify how the hiring and firing of Council personnel got delegated to the Secretary of State?

FORMER SEC 'Y. OF STATE JANE BURGIO:

I'd be glad to.

SENATOR LIPMAN: All right, thank you. I didn't mean to influence that, but that's the question I'm going to ask.

MS. BURGIO: I have a prepared statement which I think will answer your question.

SENATOR LIPMAN: All right.

MS. BURGIO: Madam Chair and members of the Committee: I appreciate the opportunity to appear before you, my former colleagues, and I appreciate your interest in the New Jersey arts scene.

Since my retirement I have remained active in the arts community. I did not plan to take an up-front part in this issue under discussion today. However, since I have been included and mentioned by name in the recent opinion from the Attorney General, I feel it is important to clarify a couple of points in this document.

Number 1 on page 2, the 3rd paragraph of this document, the Arts Council is referred to as an "in but not of" State agency. This is incorrect. The Arts Council is an integral part of the Department of State with separate responsibilities, allocated the Arts Council trustees, spelled out in the enabling legislation.

The second point is even more relevant to the topic of today's hearing. This opinion states--

SENATOR STOCKMAN: Could we stop? Excuse me, I'm trying to find-- I missed that page. This is page 3 of the letter of March 12?

SENATOR LIPMAN: Right. This is his opinion of March 12.

SENATOR STOCKMAN: First full paragraph?

MS. BURGIO: Wait a minute. Wait till I find mine. Here it is. It's page 2, 3rd paragraph where it says, "It is consistent with established principles sanctioning the sharing of administrative authority in the personnel area especially for 'in, but not of' State agency, such as the Arts Council." It's not considered an "in, but not of." So in my opinion, and when I was in the Legislature, and when I was in the Department of State, an "in, but not of" agency had no connection except a technical connection with the department. The Administrative Law Judge, the law of courts was an "in, but not of" in my Department, but I had no responsibilities. I believe that-- I say this later: that the Arts Council is a separate, quasi-autonomous, not "in, but not of."

MR. CAPALBO (Committee Aide): You're correct. The wording is "in."

SENATOR LIPMAN: It's "in." I've got the statute here.

MS. BURGIO: It is in the original statute? Because it wasn't in the one I have.

MR. CAPALBO: Well, the original statute applied to the Department of Education--

SENATOR STOCKMAN: He's agreeing with you. It's just "in" rather than "in, but not of." "But not of" is out.

MS. BURGIO: Oh, I see. Okay. In fact, Senator, when the department was going to be moved from the Department of Education, there were some people who wanted "in, but not of" but I said I did not want them if they were "in, but not of" because then I would have absolutely no reason to work with the Arts Council, and in any way cooperate.

Anyway, the second point I believe is even more relevant to the topic of today's hearing. This opinion states on pages 1, 2, and 3, that the three individuals whose dismissal has been questioned, were appointed by me, the former Secretary of State. And this is not true. All I did was handle the paperwork required for these individuals to start working. I did not seek out, recommend, or interview for any position on the Arts Council staff. This was done by the Executive Director. He was appointed by the Arts Council Board as required by law.

As Secretary of State, with the Arts Council as a quasi-autonomous division within the Department of State, I believe my role to be that of a custodian of the public trust. The board members established policy and employed a director and staff to carry out such policies. My role, and that of my immediate staff, was to assure that this agency was able to fulfill its many responsibilities in a thorough and efficient manner.

An Attorney General's decision dated July 17, 1990 expresses it well. On page 2, 2nd paragraph, I quote, "It follows that the Secretary's influence over policy and personnel decisions of the Council is limited to her participation as a nonvoting ex officio member, in addition to her persuasive powers as an important official of State government," end of the quote. And I have copies of that decision also, if you don't have it.

I never hired or fired staff. I never interfered in the grants process. I saw the role of my office as an umbrella unit, a troubleshooter and expediter, to deal with other departments involved in our mission within State government.

I feel strongly that the relationship of the Secretary of State, developed over the last 25 years, be continued. Only then can we be assured that the citizens of New Jersey receive the opportunities and advantages that a professional Arts Council staff can provide.

Thank you, and I'll be happy to answer any questions.

SENATOR LIPMAN: All right. I forgot to point out that former Secretary of State Jane Burgio is also a former Assemblywoman from Essex County.

MS. BURGIO: Thank you, Senator.

SENATOR LIPMAN: We used to collaborate on some issues.

Then, do you think Madam-- I'm going to call you Secretary of State, what could I do? Once a Senator, always a Senator. Once a Secretary of State-- Jane, if the state of our economy has made it more-- I don't exactly how to phrase this question, but, you were the Secretary of State in the booming '80s, right? You had lots of money.

MS. BURGIO: Sometimes.

SENATOR LIPMAN: Sometimes?

MS. BURGIO: Well, in the beginning we didn't have much money. We came in with a deficit. Then during the interim, we were very fortunate. The economy was good, and our

budget was increased. I'd like to point out, though, that although it was a big jump in New Jersey, it wasn't necessarily a big jump in comparison with other states. When we started out, we were something like 49th out of 50 states in per capita support for the arts. We worked up until we were one of the top 10. So it was not pouring money unnecessarily into the arts picture, but because of the growing economy, the importance of the arts, and a supportive Governor, we were very fortunate. The last year we felt the economy, too, and we did have to cut in a percentage. But I think what's happened: If the arts have been cut in an inordinately fair way, everybody's willing to take the cut, as the Council members said. But 50% over a two-year period, I think, is very, very high.

SENATOR LIPMAN: Yes, the arts community is smarting from the large cut from this last year. So that's the reason for the question: Should we then be cut again 8% this year since we gave our 8 last year, you know, like giving at the office?

MS. BURGIO: You know my answer to that one. I certainly hope that the arts budget will not be cut an additional 8%. I just hope that we can hold our own, and a small increase, I'm sure, would be welcome.

SENATOR LIPMAN: Senator?

SENATOR STOCKMAN: No, I have no questions.

SENATOR LIPMAN: You don't? Senator?

SENATOR CARDINALE: Yes, I do. It's a matter of interest to me that you were defined as the hiring authority. You did functions very similar to this function with respect to many areas, and it appears to me, at least-- Let me ask you. Didn't you do a very similar function: For instance, for a legislator after they were elected, you certified that they had been elected, and so forth?

MS. BURGIO: Yes, that's right.

SENATOR CARDINALE: Has anyone ever suggested that you could fire legislators? (laughter)

MS. BURGIO: I'll tell you, nobody suggested it because I might have done it.

SENATOR CARDINALE: It would have been very interesting.

SENATOR LIPMAN: You would have done it if you could.

SENATOR CARDINALE: Did the Attorney General ever speak to you about circumstances prior to the writing of the opinion?

MS. BURGIO: No.

SENATOR CARDINALE: He did not consult with you.

MS. BURGIO: No, and I do not know where he got the information. I think it was probably the fact that I had to sign a great many documents in order to employ people.

SENATOR CARDINALE: But you would have signed those documents for more than these three.

MS. BURGIO: Oh, yes. I would sign for the entire Department.

SENATOR CARDINALE: The entire staff. So, it's as if the fact that you signed these-- What kinds of documents are they?

MS. BURGIO: The documents providing these people get paid. They wouldn't get paid unless they could go through the proper procedures. The reports would have to go through Treasury to make sure they would be on the payroll, and that they would get the benefits; generally the paperwork that a bureaucracy would go through.

SENATOR CARDINALE: Okay. Now, it's been called to my attention to clarify another point. You are the budget request officer for this group?

MS. BURGIO: For the whole-- Yes.

SENATOR CARDINALE: As you understand the changes -- and I think you're somewhat close to the proposed changes that

are being discussed -- would the Secretary of State not have to sign similar documents so that these people hired by the Arts Council, now, under whatever change in policy there is, have to continue to sign some hiring documents?

MS. BURGIO: I would think so.

SENATOR CARDINALE: And continue to make the budget requests?

MS. BURGIO: We have to fight for the budget, not only make the budget requests.

SENATOR CARDINALE: So that the Attorney General's opinion doesn't really change anything. It really doesn't say anything except-- It doesn't change any authority, any lines of authority.

MS. BURGIO: I do not understand this opinion that came out in March. It doesn't really clarify anything, particularly. It says the Secretary of State has the right to hire and fire, and the Arts Council has the right to hire and fire. I don't think it really comes down clearly. I think his original opinion which I have, which was done on July 19-- I think that was a much stronger definition. As you know, you're not a lawyer, but you know enough lawyers: You get three lawyers, and they can come out with three different views of the same subject. My quarrel with this latest opinion is that it's based on something that's not true, therefore, I don't think it's a proper opinion.

SENATOR CARDINALE: So, to clarify again, you had nothing to do with interviewing these people, with searching for these people, with making the decision that these individuals were the individuals who ought to be hired?

MS. BURGIO: No, not at all.

SENATOR CARDINALE: That's what we heard from the Arts Council people; that they made all of those decisions and there was then some formal process, but they recommended that these people be hired.

MS. BURGIO: Not officially, at all. I mean, of course, if Jeff wanted to hire someone for a certain position, he would discuss it with us. We had a back and forth discussion, but we never made any decisions.

SENATOR STOCKMAN: Jane, may I ask you--

MS. BURGIO: Yes, Jerry?

SENATOR STOCKMAN: What role did Al Felzenberg play?

MS. BURGIO: He was my assistant.

SENATOR STOCKMAN: Did he not play a role in any of these things we're talking about?

MS. BURGIO: I think he probably worked with Jeff on interviewing, but he had no more--

SENATOR STOCKMAN: I had the impression that he was a major player throughout this time.

MS. BURGIO: Yes, he represented me, and he would give advice, the same as I would, and he would give advice to me.

SENATOR STOCKMAN: So, in a way -- and I understand you -- when you say you really were sort of in the background, and I'm paraphrasing, but I can understand it-- But it was the background with a very strong figure who represented you throughout this period of time.

MS. BURGIO: Yes, but I don't think there was any question that it was the Arts Council and Jeff Kesper's final decision to hire anybody. Well, there was an instance, one time, when someone related to a-- A political person came in and wanted a position in the Arts Council, and we gave this person an appointment with Jeff Kesper who made the final decision. This person was not hired. So we never made--

First of all, I think the best way to run a division is to appoint good people to head it, and let them make the decision to bringing their own people in. And I think it worked very well in the Arts Council. We have had wonderful people working there, and we still do; those that are left.

Are there any other questions? Two of our people are missing, so--

SENATOR STOCKMAN: Madam Chair, as a point of personal privilege, I have to leave shortly, but I wanted to thank the witnesses, too. I want to particularly acknowledge-- I acknowledged the Arts Council people. Maureen Ogden clearly is probably the preeminent legislator in terms of advocacy for the arts, and while I'm on the Arts Council and like to think I play a role in it, I want to publicly recognize and acknowledge that fact. It's an issue where we are in concurrence and, again, there are times where there are issues where we are not in concurrence. So, I'm happy to make that loud and clear.

SENATOR LIPMAN: All right. We have to hear from two more people. Would you like to--

W I L L I A M W R I G H T: I'll defer to Senator Ewing.

SENATOR LIPMAN: Senator Ewing, do you want to make a nice statement now?

S E N A T O R J O H N H. E W I N G: Senator Lipman, I appreciate your letting me talk for just a couple of minutes because I certainly am interested in the arts. I think arts are part of our overall educational values that we have in the nation and certainly in the State, and we've got to do what we can to promote them.

Certainly they should not be politicized the way they are being done now, what is happening to the overall arts effort and the Arts Council in this State. I think we've got to keep in mind always that certainly arts should be nonpolitical -- very definitely -- because they certainly don't go out and give grants just to Democrats or just to Republicans who write poetry, or a sculptor, or something like that. They've got to be for everybody, and the operation has got to be for everybody.

Actually, I feel so strongly about it, I am putting in legislation to start a discussion to remove the Arts Council

from the Secretary of State's Office and maybe put it over with Travel and Tourism because certainly, the arts bring people into our State, and I think it would be much better there and removed from people who are so politicized as they are now with what they're trying to do to emasculate the Arts Council. I think you've got to be commended for being willing to take the initiative to have a hearing of this nature so it can be exposed and the issues involved are not hidden under a rock like maybe some people would like, and just let it simmer there while they use their power to do what they want.

In closing, I'd like to say, in spite of Jane's plea for more money, Larry Weiss, who is the Chairman of our Senate Appropriations Committee and I were on TV yesterday. Both of us clearly expressed the dire need for money in the State but I just do not see how the Arts Council is going to get more, unless dollars are shifted around within the overall budget. In fact, we feel there are going to be more cuts throughout the whole State in order to balance the budget we're working on today and also for the following year. So, it's not a very pretty picture. But thank you for what you're doing, and hopefully, for the sake of the arts and what it does for the children and the older people in this State, you get this situation resolved sooner than later.

SENATOR LIPMAN: All right. Thank you, Senator.

With Senator Ewing is a member of the Appropriations Committee, as is Senator Stockman, and as is Senator Haines. He doesn't want to admit it, but he is. (laughter)

SENATOR CARDINALE: He's a graduate. He's an alumni.

SENATOR LIPMAN: He loved us so much he came back after he had taken a leave.

SENATOR HAINES: That's right.

SENATOR LIPMAN: That's in both cases, Senator. You went away from the Appropriations, and you went away from this Committee, and now you're back. We're happy to have you.

Mr. William Wright is the Executive Director of the New Brunswick Cultural Center. I hope I'm right. He's going to represent Senator Lynch's views here.

MR. WRIGHT: Yes, I'm here on behalf of myself and Senate President Lynch. John Lynch wanted to be here today and had planned to be here today but now he is busy with the Apportionment Commission, which itself, must be a fine art. (laughter)

The New Brunswick Cultural Center represents one of the greatest concentrations of the arts organizations in the State and includes in residence the Crossroads Theater, George Street Playhouse, Princeton Ballet, New Jersey Designer Craftsmen, and in affiliation, the Shoestring Players, Rutgers University Concert Series, and the Middlesex County High School for the Arts. A centerpiece of the Center is the State Theater which has attracted widespread attention from the critics. It's a showcase theater for the presentation of the world's greatest orchestras, classical and popular artists, and performing arts in every form. It is one of the primary venues in which the State's organizations, such as the New Jersey Symphony Orchestra, can reach the people of central New Jersey.

Presently under construction, the Center is the new home for Crossroads Theater, scheduled to open its '91-'92 season in a new space in October of this year. This represents the first time in American history that a new theater has been constructed for a black theater company. All of this was made possible through the State Arts Council and the 1987 Bond Issue sponsored by John Lynch and Maureen Ogden.

Since its founding in 1983, the Cultural Center has rolled up an impressive list of accomplishments. It has become one of the cornerstones in revitalization to save New Brunswick and the daily lives of the people in central New Jersey, indeed, in the State. The synergism between the Cultural Center and business in New Brunswick has brought new art

galleries, increased hotel activities, and some of the finest restaurants in the State.

The development of the Cultural Center has not been without its share of blood, sweat, and tears. They have happened because of the extraordinary commitment of individuals that understand that the arts are an important component in the quality of life; as important as new schools, parks and recreation, and good and safe places in which to work and live.

Financial assistance from the State to the Council of the Arts has made it possible that companies of the Center step beyond the ordinary and bring great distinction to themselves, the Center, and to the State. While these companies are vital to the growth and development of the New Brunswick Cultural Center in terms of the heart and soul of the city and its environs, the arts generally are part of the puzzle that includes all the basic services that must be supported by the State.

Throughout history, the arts have always been an important element in our education and lives. They enlighten, they broaden, and they provide a nourishment to the mind and soul that is essential to a civil people. While we recognize that we must share the burden of financial distress, we do not want to be viewed as dispensable. We are not dispensable. As funds decrease from one organization after another, retrenches or dies, we lose something important that may never be reclaimed. The legislative bodies of this State must find a way to balance the many demands equitably and provide a level of sustenance that will let us emerge at the end of these difficult times as a positive and viable element in the collection of the State's assets.

Funding for the arts and management of those funds must continue to be unfettered by changes in political fortunes and philosophies. The distribution of funds must continue to

be separated from political processes and remain clearly under the purview of an independent Council. We must look for ways to ensure that the health of the organizations of the State are less subject to fluctuations and economic conditions. It can be helpful at times to take a look backward, to examine our roots and see why we established these institutions and conventions on which the processes have been built.

In New Jersey, it started in 1962 in the Legislature. In response to an increasing number of expressions concerning the alleged lack of adequate promotion of the arts in New Jersey, it established a Commission to Study the Arts in New Jersey. In 1966 the Commission recommended to the Legislature the establishment of a permanent Arts Council in State government, empowered to formulate and promote programs designed to enlarge the resources of New Jersey in a creative and performing arts and to make these resources available to the people of the State.

I believe it is important to note, that in the 1960s, the Commission of legislators and community leaders believed that the arts were a resource for the development of this State. How far we have not come. The Commission further recommended that the Council be designated by law to be a sole responsible State agency, to administer all funds granted to the State by the National Endowment of the Arts, and the annual legislative appropriations to the Council be sufficient to enable it to employ personnel of high quality and otherwise be as responsible effectively.

The Legislature acted on the Commission's recommendations in 1966 at which time they established the New Jersey State Council in the Department of State. In 1981, the Council was statutorily transferred to the Department of Education. It was believed that placing the Council in a department with other culturally-oriented agencies would give greater emphasis and focus to the activities of the Council and

the arts. In enacting the law that transferred the Council, Governor Byrne publicly reaffirmed the independence of the Council saying the Council will continue to deal directly with the Treasury Department on matters pertaining to its budget, thereby maintaining its status as a quasi-independent agency.

Two years later, citing a lack of proper attention, the Council was transferred back to the Department of State with Governor Kean again reaffirming the need for an independent Council. He said this bill returns the Council to its rightful and proper place within the Secretary of State's Office. It will assume a more active and visible role in promoting the arts in New Jersey and will be free of the kind of political controversy which surrounded it in prior years.

The legislative and public records are replete with evidence that the Legislature intended to statutorily invest in the Arts Council the independent authority to make decisions affecting its operations, including the authority to employ an Executive Director and such other personnel as may be necessary, as well as in appropriations and grant funds. This assertion is supported by the statutory powers conferred on the Council by the Legislature, the nonvoting representative of the Secretary of State, and the members of the Legislature who serve ex officio, and reaffirmation of the independence of the Council by both Governor Brendan Byrne and Governor Tom Kean.

Additionally, the Legislature's designation of the Council of the Arts as the sole State agency responsible for the receipt and disbursement of funds from the National Endowment of the Arts carries with it understanding and consent that the agency would be permitted to function in conformance with any requirements that the recipient agency may grant as a result of an independent peer review process.

All this is not to say that the process of the Council cannot be improved. Undoubtedly there is room in any organization to streamline its operation, to update its

procedures, and to look at itself objectively. The peer review process, while absolutely essential to the overall integrity of the allocation of resources, should itself perhaps be reviewed and brought into line with current realities.

I would call the Committee's attention to the recent report of the United States Congress on the National Endowment submitted by an independent commission in September 1990. This commission, headed by John Brademas and Leonard Garment, took an in-depth look at the workings of the Endowment, with emphasis on the peer review process, and recommended a number of changes. Among them are: ensuring that the membership of panels represents a variety of aesthetic and philosophical views; in the interest of administrative efficiency and careful evaluation, from time to time review the number and scope of panels; with the grant advisory panels, be one of several sources of advice -- that panels include people who do not earn their livings in the arts; and that emphasis be given to site visits.

I am appending the recommendations of the independent commission report to this testimony.

What you might do, as a Committee-- I would suggest that you convey to your colleagues in the Senate and the Assembly the importance of retaining, at a minimum, last year's level of funding for the arts, and that we start now to find a formula that will result in a reasonable growth of that funding in the future, based on quantifiable plans for the development of the arts in this State.

As you will no doubt hear from others today, it may be timely to look at the pros and cons of moving the Council out of the Department of State. I would caution that the last experiment using this approach was not successful, and we would not want to see the cure kill the patient. Still, it may be time to follow the example of other states which, in recognizing the importance of the cultural life of their people, have created a separate Department of Cultural Affairs.

Finally, help us to bring the private sector more firmly into this partnership. We need expressions from State government that the arts are important; the arts play an important role in the development of the State and maintain a high level of quality of life.

Thank you.

SENATOR LIPMAN: Thank you, Mr. Wright. I think you have heard today that this Committee -- at least this Committee of legislators -- is convinced of the importance of the arts, or they would not have come. Senators, do you have statements or questions for the legislators or the Secretary of State?

SENATOR HAINES: No.

SENATOR LIPMAN: No questions? They have clarified everything?

SENATOR CARDINALE: I don't have any questions, Madam Chairman, but I would like to make a brief statement. If I haven't made it clear already, I think the Arts Council has actually received a double whammy. There is a budget problem. There is nobody who can deny that. There was a necessity to reduce the expenditures of government -- reduce the spending of government -- and there is no denying that. But after having taken one of the more draconian cuts in the entire budget, it appears, as a result of this hearing, that still other shenanigans are going on. And, that has to stop.

After having taken a 50% cut over two years, to have even those moneys remaining being raided for employees who work in other parts of State government, seems unconscionable to me. I think this hearing will go a long way toward ensuring that that does not continue.

SENATOR LIPMAN: We hope that will not continue. I am depending on the Arts Council to reassert its authority over its own employees; its Executive Director to have control of the Arts Council's employees. I think if we have pointed out nothing else with this morning's hearing, we have really suggested a number of times that this is what should happen.

Now, we are going to reconvene this rather shortly after you get a bite to eat. We are going to start first with the Art Pride panel. I am going to call it a panel, because I think there are several people here to speak from Art Pride. We will come back to this room, please, at about 10 minutes to two, so we can begin on time. Thank you very much.

UNIDENTIFIED SPEAKER FROM AUDIENCE: Do you give us lunch here?

SENATOR LIPMAN: Are you kidding? You're on your own for lunch.

(RECESS)

AFTER RECESS:

SENATOR LIPMAN: I think, one of the members of the Committee having returned, we can reconvene this hearing. The whole hearing is being recorded. A transcript will then be made, and each member will be informed.

I have been told that Senator McManimon is on his way back to the hearing, and will be here shortly. But since we have a number of witnesses still to be heard, I will just start with Senator Haines here.

I want to say that this morning we had an extensive discussion about the relationship of the Department of State and the Council on the Arts. It was unfortunate that the Secretary of State had a prior appointment and could not stay to respond to all of the issues. But at the conclusion of today's hearing, I will request the Secretary to forward the information to this Committee regarding these issues, and specifically to advise the Committee as to the results of the discussions between the Council and the Department as to the assignment and payroll status of Arts Council personnel.

I have also said today that we are interested in the grants evaluation process. If the remaining witnesses -- since you are all from local groups, arts groups -- would tell us something about how the grants process affects you, and give us your evaluation, it would help this Committee to assess these procedures.

Now, in the event you have some written remarks which deal generally with arts issues, we would be glad to accept those, too. You are free to talk about anything you want to talk about, but specifically we would like you to give us your conception of how the grants procedures are handled in this State; how you perceive it. Are they fair? Are they impartial? Are they being hindered? That is what we would like to talk about most. That is the point of view I want you to give us this afternoon.

Presently we are going to begin with a panel from Art Pride: We have Mr. Angelo Del Rossi, who is the new President of Art Pride, and also the Executive Producer of the Paper Mill Playhouse; Ms. Carol Dickert, Executive Director, Arts Foundation of New Jersey, and also Secretary of the Art Pride Board; and Mr. Michael Zuckerman, Vice President of Art Pride of New Jersey, and Director of the Mid-Atlantic Center for the Arts in Cape May. Would you please have a seat?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Madam Chairman, may we add Laura Aden?

SENATOR LIPMAN: All right, you may add Laura Aden, but I was hoping to get in one short statement before you begin. Come on, you may sit down. That statement will be from the Artist in Residence, who has an urgent appointment and has to leave.

H O R A C E A R N O L D: I would also like to request my partner to join me -- we are together -- if that would be possible?

SENATOR LIPMAN: All right. Who is your partner?

MR. ARNOLD: Louise Gorham. I am Horace Arnold.

SENATOR LIPMAN: Artist in Residence for the New Jersey State Council on the Arts.

MR. ARNOLD: Yes, that is correct.

SENATOR LIPMAN: Mr. Arnold has an important engagement in New York, for which he has to depart.

MR. ARNOLD: I am an Artist in Residence, and I have been for about the past 15 years. I am a jazz musician and a composer, and I have been practicing my profession for about 30 years. For the past 15 years, I have been affiliated with the Council in one form or another, either as a faculty member on the ATI staff -- Artist-Teacher Institute -- or as Artist in Residence in the various schools in New Jersey, as well as an adjunct at the William Paterson College.

I have come to appreciate the importance of education. It is the nation's number one priority. I have also come to appreciate the importance of the New Jersey State Council's position on art as a means of education in the schools. It seems to me that the Arts Council has done a lot of important work. Arts in Education Residencies annually serve 24,000 school children. Over its 15 year history, the Artist-Teacher Institute -- which has been housed at Stockton State College -- has served more than 1200 teachers, who have also been affected by what is going on there as far as arts education is concerned.

It seems to me that there are two things that really strike me as an artist: One is the importance of what the Council has been doing as far as using artists in the program. However, there are matters that have been of great concern to me. The use of artists has been sadly affected by the fact that there has not been an efficient type of format for payments. Quite often, I find that the paperwork -- the invoices, the contracts, and other things -- seem to move at a snail's pace. As a result, we have lost the opportunity to

have some established and superior artists involved in the area of arts education.

The other point that really concerns me is, it seems absolutely essential that the staff that deals with these issues -- that these people have credentials and a sensitivity toward the artists. Over the past few years, I have felt the effects of the lack of that even more so. It has not been what it had been in the past. I feel it is very important that the Council continues to be supported in its way of dealing with the artists in education. As an artist, I feel very strongly about supporting them in their aspirations for better effectiveness.

SENATOR LIPMAN: You have found that the Council's ability to process grants for artists in residence has been hampered recently?

MR. ARNOLD: Yes, I have.

SENATOR LIPMAN: Ms. Gorham, did you want to say something?

L O U I S E H. G O R H A M: Yes, please. My name is Louise H. Gorham.

Distinguished members: I speak to you today as a graduate of the Mason Gross School for the Arts, as a founding member of the Crossroads Theater Company in New Brunswick, New Jersey, and as one of the first New Jersey State Council on the Arts' employees to be fired. Although my career has soared and I find myself delighting in teaching Theater Arts at Stockton State College, I feel it my duty to point out the dangers of indiscriminately firing employees without respect to the programs and their personnel requirements.

I say this because I was the Coordinator of the Writers-in-the-Schools program -- WITS. This program is financed, in large part, by the National Endowment for the Humanities. It places writers in the schools of New Jersey for four-day residencies. The response is usually overwhelming.

We have had excellent results from this program. Each year, children in every corner of the State respond with creative endeavors that astound their classroom teachers. Our artists get things out of the students that the teachers cannot normally get from them. I have attached an article from the latest "Family Circle" magazine which captures perfectly the zest and integrity of New Jersey's WITS program. The article was penned by one of the artists in our State who regularly goes into the schools.

Now, thanks to the efforts of artists who cared so much for the program that they volunteered their time this fall to match writers with the schools, Xerox forms, and learn the necessary procedures, the Writers-in-the Schools program has survived, and the children of New Jersey continue to benefit. However, although the immediate crisis was resolved, the long-range view is not good. There is no one there to handle the necessary paperwork to keep this program alive.

Now, a State program of this stature ought not to depend upon the endless training of volunteers. The time it takes to train volunteers is considerable. When mistakes occur, it is difficult to backtrack and figure out who made them. No one is responsible. It is my understanding that the grant received by the Arts Council from the National Endowment for the Arts included funds for my position. Since the position was eliminated, the funds were redistributed. But it is staff that is crucial to the survival of vital services. It is hard to comprehend channeling existing funds away from personnel, when professional staffing is precisely what is needed the most. That is what you need to run the Writers-in-the-Schools program; someone who will be there to be responsible; someone who will take the calls from the artists, from the principals, from the superintendents in the schools -- not a volunteer.

I hope the current investigation will find ways to ensure that the staffing needs of the Arts Council are met with professionalism and integrity. After all, it will be the children of New Jersey who lose if the Writers-in-the Schools program remains a stepchild to bureaucratic maneuvers.

That is my statement. Thank you. (applause)

SENATOR LIPMAN: Thank you very much, Ms. Gorham. (sentence here indiscernible to transcriber due to very loud applause) That is precisely what the subject of our discussion was this morning. I saw that you were here to see that there is some kind of resolution about staff by the Council on the Arts. We hope, as you do, that the ongoing discussions with the Governor's Office and the Secretary of State are going to succeed--

MS. GORHAM: I hope so, yes.

SENATOR LIPMAN: --enough to resolve these issues. Senator Haines, do you have questions for these witnesses?

SENATOR HAINES: No. I think it is very clear.

SENATOR LIPMAN: Yes, it is very clear; absolutely clear. Thank you. Now I know what artists in residence do; at least I know what you do. Yes?

MR. ARNOLD: If I may add one footnote to that with regard to what Louise just said-- Really, as an artist, I have been touched by the program, because it is really true that the kids are the ones who suffer through all the bureaucracy and everything else that goes on. The bottom line is that the kids suffer if you lose the qualified artists who go in and touch them. I know that is what happened to me when I was a child. That is what got me into playing jazz and playing this American music I am so happy about. But if you lose the qualified artists who go in and sincerely touch them emotionally and spiritually, then you are losing a lot. I don't think we can overestimate the importance of support for the Arts Council in this regard.

SENATOR LIPMAN: You're right. That is an important program with the Arts Council. Thank you so much for coming. We appreciate your statements.

MS. GORHAM: Thank you.

SENATOR LIPMAN: Now, Art Pride. Mr. Del Rossi, congratulations on becoming the new President of Art Pride.

ANGELO DEL ROSSI: Thank you for that. Madam Chairman, we would like very much to discuss the panel review process, but if you would allow us, there are certain members testifying today who have prepared statements -- not long statements -- so we beg your indulgence.

SENATOR LIPMAN: All right. We are still under a democracy. I just wanted to push the points that would help us to decide what kind of recommendations, what kind of findings to make from this hearing. I don't think we got enough about that this morning. But, you say what you came here to say.

MR. DEL ROSSI: Thank you. Madam Chairman and members of the Committee, gifted colleagues, and friends: Good afternoon. I am Angelo Del Rossi, and it is my privilege to address you today in a dual capacity: as the newly elected President of Art Pride, the statewide advocacy organization for the arts in New Jersey, and as the Executive Producer of Paper Mill Playhouse, the State theater of New Jersey.

For Art Pride, I represent more than 200 arts professionals and arts institutions of all disciplines from Cape May to Teaneck, who live and work in New Jersey and contribute directly to the economy of our State. For Paper Mill, I represent the more than 440,000 New Jersey citizens, from every corner of the State, who demonstrate their interest in, and commitment to the arts by attending the theater at Paper Mill each year. I provide you with this background to illustrate that I speak not only for myself, but for a large number of citizens, statewide, who participate in, and benefit from the arts and who share the deep concerns about recent

actions threatening the continuing operation of the New Jersey State Council on the Arts.

The arts in New Jersey have received national attention directly due to the actions, guidance, encouragement, and professionalism of the New Jersey State Council on the Arts. The Council has been highly regarded throughout the United States as a model arts organization, held up as a prototype and a standard for other arts councils by our Federal government through the National Endowment for the Arts. Milton Rhodes, Executive Director of the American Council for the Arts, has called the programs of the New Jersey State Council on the Arts nothing short of remarkable, pointing to the success of the Council's excellence, initiatives, and peer panel review system. This national prominence has done much for our artists and our State. It is therefore extremely disheartening for us to watch as these accomplishments are placed in serious peril.

What is most distressing to the arts community is the perceived systematic destruction of the integrity of the New Jersey State Council on the Arts and the politicizing of the Council's operations. We fear that this may signal the beginning of the end for excellence in the arts in our State, and are deeply concerned that due to recent actions, the Council is being placed in a position where it will be unable to function. Present staffing is totally inadequate to handle the volume of activities overseen by the Council. We have called upon the Office of the Governor to intercede so that we might preserve the peer panel review process which allows the Council to operate in a viable fashion. This panel process must prevail to ensure that all Council procedures are nonpolitical and nonbiased.

We in the arts certainly acknowledge the difficult economic times that affect us all, but strongly feel that the arts have absorbed what are, in our estimation, unfair budget

cuts. More than 50% of the budget of the State Council on the Arts has been eliminated in the past two years. Few other State agencies have been so denigrated. These actions, along with the elimination of key staff members, have threatened the Council's very existence. They also place in jeopardy the very criteria that bring significant funding to the Arts Council from the National Endowment for the Arts.

We have all heard and read much about the new Art Center to be built in Newark. It is held up as a beacon of light for a depressed city. We are told how the Center will impact on the economic and social well-being of Newark; how it will revitalize and energize the community. We in the arts know this to be true. It will do all of that, and more. It will supply jobs; real estate values will increase; restaurants and gas stations and parking lots and paint stores and lumberyards and candy stores and T-shirt manufacturers will all prosper. Did I mention that great art will be taking place as well? It will be a grand place. We wish the new Center well and look forward to its birth.

But may I remind you that art centers exist now throughout this great State? These centers are supplying the people of New Jersey with the art they deserve right now. We right now have theaters, museums, symphonies, dance companies, and artists that are not only recognized here at home, but have gained national and international applause and recognition. Is it any wonder that we are here today seeking your help? How can we stand for this apparent destruction of the Arts Council and the devastating 50% cut in arts funding? We implore you to allow the New Jersey State Council on the Arts to continue to operate in the esteemed tradition for which it was founded and to supply that Council, inasmuch as is within your power, with the funds to ensure the continuing operations of our existing arts community, which has placed New Jersey and its cultural institutions on the vanguard of the national arts scene.

Thank you. (applause)

SENATOR LIPMAN: Thank you, Mr. Del Rossi. I love this audience. (laughter) May I just ask you if your organization, being the leading advocate group, I guess, in the State-- Have you been a part of any discussions to try to resolve this situation?

MR. DEL ROSSI: Yes.

SENATOR LIPMAN: You have?

MR. DEL ROSSI: Yes, we have.

SENATOR LIPMAN: Do you expect to continue?

MR. DEL ROSSI: We do expect to continue. We have been meeting with a representative of the Governor.

SENATOR LIPMAN: Right. Those conversations, or discussions, have been calming, or satisfying? Not satisfying, because we don't know what is going to happen here.

MR. DEL ROSSI: Well, they have not been totally satisfying, but they have at least been a step in the right direction, as far as we are concerned. At least it was the first time that we were called upon to sit down and speak with someone about what is happening with the Arts Council.

SENATOR LIPMAN: Right. I sincerely hope you will continue this role. I'm sure the legislators of this Committee would be happy to hear from Art Pride anytime with whatever problems you perceive as happening. In a case like this, you know, when rumors and all kinds of accusations and all keep floating around-- You know, a group like yours could place a swift check on such things, just by coming in and talking to us. We would like to hear from you, all right?

MR. DEL ROSSI: We will be happy to.

SENATOR LIPMAN: Senator Haines, do you want to ask Mr. Del Rossi anything?

SENATOR HAINES: No, I have nothing.

SENATOR LIPMAN: You're not going to tell him he is going to get a great increase in his budget? (laughter)

SENATOR HAINES: I don't think we would be telling the truth, would we?

SENATOR LIPMAN: We wouldn't be telling the truth. May I just tell you that Senator Haines is a member of the Appropriations Committee? (laughter) So I just put him on the spot, didn't I?

MR. DEL ROSSI: We won't forget that.

SENATOR LIPMAN: Senator Stockman and I are both on this Committee, and Senator Weiss is a regular member of the State Government Committee every day. He is the Chair of the Appropriations Committee, so we will be working with him for the next few weeks, I guess.

Okay, Ms. Dickert, please go ahead.

C A R O L D I C K E R T: As Executive Director of the Arts Foundation of New Jersey and Secretary of the Art Pride Board, I welcome this opportunity to share some thoughts about arts education as it relates to the New Jersey State Council on the Arts.

Over the last several years, arts education has become a priority on many levels. The National Endowment on the Arts -- NEA -- established new national goals about five years ago, affirming the importance of arts education. The New Jersey State Council on the Arts followed suit, developing new arts education objectives and programs, and Governor Florio stated, both before and after his election, that arts education was to be one of his priorities. Furthermore, he called for greater accessibility to the arts, which is only strengthened by a strong arts education program, for what makes the arts more accessible than arts education?

New Jersey has achieved great success and recognition in arts education for a number of reasons. Primary is the fact that it was developed over a long period of time as a result of a closely knit working relationship between Council members who demonstrated keen interest, personal involvement, and strong

commitment to staff who had years of field experience and administrative skill. So, the Council members worked very closely with the professional staff. An arts education philosophy was carefully structured after months of deliberation.

The success of that partnership resulted in the Council's being awarded first a Plan to Plan and then an Implementation Grant for arts education by the NEA, one of only a few across the country.

In recent months, legislation has been passed requiring State monitoring of the arts. Core competencies are to be completed by 1992. Arts education programs have therefore taken on renewed importance. Reviewed in tandem with the national goals of education and New Jersey's own educational priorities, the New Jersey State Council on the Arts has a vital role to play in supporting and monitoring arts education programs throughout the State. This can only be accomplished with a staff that has both the history and expertise to analyze, evaluate, and implement these activities. Furthermore, New Jersey State Council on the Arts staff have developed a network which is integrated with its foundation of training and experience and works closely with groups such as the Alliance for Arts Education/New Jersey.

The key to the success of building a strong and sensitive arts education program, which is totally in keeping with the Governor's own goals, is to continue to maintain a well-trained professional staff at the Council in sufficient numbers to do their jobs properly. This has been a long path, but the accomplishments to date have been enormous and the impact on the entire State is worthy of the nurturing provided by the Council on every level.

Thank you.

SENATOR LIPMAN: Thank you very much. Senator?

SENATOR HAINES: Yes. You said the State passed legislation requiring State monitoring?

MS. DICKERT: There is legislation for the monitoring of arts within the schools, yes, for the first time.

SENATOR HAINES: Oh, in the schools?

MS. DICKERT: Yes, in the schools. It is the first time that the arts curriculum will be monitored. So they will be considered equal partners to the rest of the curriculum -- math, English, and so on. They are in the process now, at the Department of Education, of developing--

SENATOR HAINES: Is there legislation to that effect?

MS. DICKERT: There is legislation, yes.

SENATOR LIPMAN: We are kind of stunned. I didn't know that either.

SENATOR HAINES: You know, I think we want to keep arts as independent as possible.

MS. DICKERT: Well, that does not take away the independence. I think what it is doing is strengthening the arts in the schools. It is giving arts an equal importance to everything else.

SENATOR HAINES: To give it importance, yes--

MS. DICKERT: That's right.

SENATOR HAINES: --but not to monitor--

MS. DICKERT: Well, monitoring it in the sense of developing curriculum and saying that the children will be required from K through 12 to have an education in the arts.

SENATOR HAINES: Okay, I see what you're saying. That is a little different than what I thought you meant.

SENATOR LIPMAN: Monitoring means putting strings on it?

MS. DICKERT: No, it wasn't in a negative sense, but that is the term they are using in the Department of Education.

SENATOR LIPMAN: I see, all right. Mr. Zuckerman?

B. M I C H A E L Z U C K E R M A N, P H . D . : Madam Chairman, members of the Senate State Government Committee: My name is Michael Zuckerman. I am also appearing today in a dual

capacity: I have just recently been elected Vice President of Art Pride New Jersey, and for the past eight years I have served as Director of the Mid-Atlantic Center for the Arts in as far south as you can get in New Jersey, Cape May.

I would like to depart from my prepared remarks just for a moment to try to address the question you posed having to do with the grant process. I am going to try to tie that into the rest of my remarks.

I don't think any of us would be here today to make statements as positively as we are doing regarding the State Council on the Arts and how it has operated in the past, if we didn't share Celeste Penney's total commitment to the kind of peer review panel process which has cushioned the arts from the kinds of interventions which have proved deleterious in other situations. I think it is really crucial that the Arts Council has turned to professional reviewers, mostly from out-of-state, and has had the honoraria at hand to pay for them to bring their quality of review. I think, to make a statement across-the-board, the kind of quality of arts programming that has been nurtured through the State Council on the Arts has worked hand in hand and has only been made possible by the continuation, and hopefully the onward preservation of the peer review panel process.

Back to my prepared remarks.

SENATOR LIPMAN: Okay, thank you.

DR. ZUCKERMAN: Like my colleagues, I greatly, greatly appreciate your holding this hearing today and giving all of us the opportunity to share our grave concerns over developments in the New Jersey State Council on the Arts. While seconding their statements about how important the professional and fair management of that agency has been to fostering artistic excellence in this State, there is yet another dimension to this issue that I wish to bring to your attention -- actually I believe it was Assemblywoman Maureen Ogden who first raised it -- and that is economic development.

Today is the second time this week that I have appeared before an important statewide forum. On Tuesday, at the Governor's Conference on Tourism in Cherry Hill, I was a speaker at a workshop on "Nonprofit Tourism Attractions," along with distinguished colleagues from Wheaton Village, Paper Mill Playhouse, and the New Brunswick Cultural Center, as well as the proprietor -- and an artist in his own right -- of Panico's Restaurant in New Brunswick. Our message on Tuesday was that cultural tourism is, indeed, a powerful engine for economic development, whether it be in cities like New Brunswick, rural districts like Millville, suburbs like Millburn, or a seashore town like Cape May.

The New Jersey State Council on the Arts has played a crucial role in all of these economic success stories. Through innovative programming and effective staff support, and through the operation of the peer review panel process, it has nurtured artistic excellence in every corner of the State. And wherever the arts have flourished, so has the surrounding economy. According to an Art Pride economic impact study, every dollar spent on the arts is multiplied at least sevenfold, amounting just a year ago to over a \$700 million contribution to the State economy.

I would like to share with you just one case study of how the process has operated in my community of Cape May. With generous funding and professional staff guidance from the State Arts Council, we last year established the Cape May Music Festival. In addition to bringing the highest quality of chamber music to our rural, culturally underserved area, the Cape May Music Festival also has an avowedly tourism promotion objective. With the Spoleto Festival in Charleston, South Carolina as our model, we are seeking to use the combination of 19 public concerts, accompanied by open rehearsals and workshops, as a powerful magnet to attract visitors to Cape May during the six soft weeks between Memorial Day and the Fourth

of July. Now, after the success of the first season, Cape May's business community has jumped on the bandwagon. This year, fully 34 hotels, motels, and inns have signed on as "Accommodations for Music Lovers," marketing special Music Festival packages to their customers. Hopefully, June will now become another banner month in Cape May's extended tourism season.

None of this could have happened without the kind of professional and financial support we have come to expect from the State Arts Council. Recent developments have jeopardized our dreams, both artistic and economic, as well as those in hundreds of communities throughout the State. We beg you to take whatever action you can to preserve the integrity of the New Jersey State Council on the Arts.

Thank you. (applause)

SENATOR LIPMAN: Senator Haines?

SENATOR HAINES: Yes, what impact? You say it has an impact on tourism. I'm sure it does in dollars. Do you have any kind of an idea of what impact it has? I mean, is a dollar spent on art, the type of thing you are using here-- Does it have a dollar value in terms of tourism? Have you ever figured that out?

DR. ZUCKERMAN: Right. Actually I am here today with Norris Clark, who is our volunteer Chairman of the Music Festival. We were doing just a little bit of number crunching waiting for the hearing to start. We figured that the 2000 people who are likely to attend the Music Festival will probably spend in the neighborhood of a half a million dollars in Cape May, figuring that they would stay for a couple of nights, have meals, go shopping; therefore, the average multiplier effect of seven times. When you are looking at a tourist destination community where people are not coming just for the evening, but are coming to spend a weekend, that multiplier goes up two or three times the seven times.

SENATOR HAINES: Well, are you saying that people are coming there who wouldn't normally come, or are you saying that different people come there because of the arts?

DR. ZUCKERMAN: Okay.

SENATOR HAINES: What I am getting at is, if it is in June, it's probably new people.

DR. ZUCKERMAN: Right.

SENATOR HAINES: And if it is in July or August, it would probably be full anyway, wouldn't it?

DR. ZUCKERMAN: Exactly. We planned it for June to kind of fill in that shoulder part of the season. Our model is a series of artistic and historical events that we sponsor in October, called "Victorian Week," which has made October the single busiest month of the season in Cape May. So we are trying to use cultural tourism -- artistic programming -- to attract people who otherwise would not be coming.

SENATOR HAINES: That's great. That is a good selling point.

SENATOR LIPMAN: Yes.

SENATOR HAINES: Get more money out of you on Appropriations-- (remainder of statement indiscernible due to laughter of audience)

SENATOR LIPMAN: To link the arts with tourism is a plus. Thank you, Dr. Zuckerman.

DR. ZUCKERMAN: Thank you, Senator.

SENATOR LIPMAN: Okay, we will turn to Laura Aden now.

L A U R A A D E N: Thank you, Senator Lipman, for holding this hearing and for allowing me to testify. My name is Laura Aden, and I am the Executive Director of the New Jersey Theatre Group. I have also served for the past two years as Vice President of Art Pride, and I continue on the Executive Committee. The New Jersey Theatre Group is a statewide association of professional theaters. We work together to promote and develop theatres throughout the Garden State.

We have been in existence for 13 years, starting in 1978 when there were only five professional theaters in this State. Now we boast a membership of 18 theaters from as far north as Teaneck to as far south as Cape May, and everywhere in-between. The New Jersey State Council on the Arts has been a consistent supporter of our work and has always understood the importance of collaborations and respected the sense of community which has developed throughout the theaters.

I know that I am but one of many people who will be testifying before you today and I will keep my comments brief. There are two points I wish to make, and one deals with the peer review panel, you will be happy to know.

SENATOR LIPMAN: Okay.

MS. ADEN: First, without the support of the New Jersey State Council on the Arts, New Jersey's theaters would still be overshadowed by our neighbor across the Hudson. Instead, our theaters are renowned nationwide. Both Crossroads Theater Company and Paper Mill Playhouse have had their work showcased on PBS' "Great Performances" series, going out to a national audience. I might add that Channel 11 in New York, WPIX, just broadcast a half-hour special on New Jersey theaters, focusing on four in particular, but mentioning all 18 of them that we worked on. They broadcast for the first time this past Monday, and we received over 200 phone calls after that from people all over New York and New Jersey. They will be rebroadcasting it on Sunday, March 31, at 9:30 p.m., so tune in to Channel 11.

Just last spring, over one-half of the productions playing off-Broadway had originated at one of New Jersey's professional theaters. The diversity and quality of New Jersey's theaters is due in no small part to the New Jersey State Council on the Arts. It is imperative that this Council be allowed to maintain its independent, nonpartisan, nonpolitical posture, basing its distribution of grants on

excellence and merit, determined by peer review panels. I know many people have spoken to this issue today.

But secondly, I think it must be stated: There will always be those who think that they could better distribute the dwindling funds available to arts organizations. There will always be those who favor one arts organization over another, for whatever reason. There will always be those who are unhappy with the amount their own arts organization receives. There may even be legislators who feel that not enough grants are distributed in their districts. We all have our own opinions. The bottom line remains, however, that grants distributed by the New Jersey State Council on the Arts have not been based on personal preference or political pressure. They are based on a painstaking process, honed and perfected over the years not only by our model State Council, but by the National Endowment for the Arts and other state councils as well. The peer review process, where professionals in the field evaluate applications, is the recognized standard for determining who should and should not be funded.

On behalf of the professional theaters, I ask that you ensure that the New Jersey State Council on the Arts be allowed to remain an independent agency, staffed with qualified arts professionals. I implore you to ensure the continued integrity of this most important agency.

Thank you for your time today. (applause)

SENATOR LIPMAN: We thank you very much for your remarks. Your points are well-taken. I am sure you will be seeing us again in front of the Appropriations Committee.

Senator, do you have anymore questions?

SENATOR HAINES: No, I don't think so. I think the presentation was very good. I think it was very thorough.

SENATOR LIPMAN: Thank you. You have a very appreciative audience. Thank you so much.

MS. ADEN: Thank you.

DR. ZUCKERMAN: Thank you, Senator; thank you very much.

SENATOR LIPMAN: In the interest of time, I am going to make up another panel real fast. This is going to be made up of county representatives and local representatives. So I will call Mr. William Higginson, of Union County; Ms. Paula Stephens, of Essex County; Mr. Stuart Allen, of Plainfield; and Ms. Jennie Ayres-Snyder, Cape May County Cultural and Heritage Commission. Would the four of you please come up? All right, where shall we begin? We will just start over here. Are you Ms. Stephens?

P A U L A S T E P H E N S: Yes, ma'am.

SENATOR LIPMAN: All right. This is Ms. Paula Stephens, of Essex County.

MS. STEPHENS: Good afternoon. My name is Paula Stephens. I am the Administrative Analyst/Grants Coordinator for the Essex County Division of Cultural and Historic Affairs. I am here today to present my testimony on behalf of the Division and the currently 31 local arts organizations in Essex that participate in the State/County Partnership Program, also known as the Block Grant Program. I am also here to voice a few words in support of the New Jersey State Council on the Arts.

In Fiscal Year 1989-90, our Division was awarded \$28,000 in special project funds from the New Jersey State Council on the Arts for our annual free summer concert series. With this assistance we were able to provide multi-regional audiences musical entertainment that featured big bands such as the Guy Lombardo, Sammy Kaye, Woody Herman, Glenn Miller, Count Basie, Tommy Dorsey, and Artie Shaw Orchestras. We also provided neighborhood concerts for inner-city residents and a series of cultural festivals that celebrated the cultural and ethnic diversity of our citizens. Our 1990 series presented 35 performing arts programs that featured over 1000 performers in

14 locations throughout the Essex County. Audience attendance amounted to approximately 230,000 participants. Our award-winning series has been nationally recognized.

In Fiscal Year 1990-91, we will not receive funding support from the New Jersey State Council on the Arts. Coupled with this loss, the current deficit in Essex County seriously affects our ability to produce a series comparable to past seasons. You should know that virtually every letter of support we receive from citizens statewide includes a statement that reads: "We are getting something for our tax dollar."

You are aware that the NJSCA awards funds directly to major organizations throughout the entire State of New Jersey. In an effort to provide funding assistance to smaller local arts organizations, and to make this effort more manageable, the NJSCA established the State/County Partnership Program, also known as the Block Grant Program. A "block" of funds is awarded to the county partner for redistribution to the local organizations. Essentially, the NJSCA awards the funds and the county partner administers the program. In 1989-90, the Division received a Block Grant award of \$115,342. In 1990-91, the award amounted to \$66,898, a whopping reduction of 42%. The Division and the local organizations -- our re-grantees -- were prepared to face the cuts, but were not prepared to face the administrative delays in processing grant contracts due to staff shortages at the State level. Because county government is involved in the detailed process of re-granting -- there are more steps involved in getting these awards into the accounts of the local organizations -- many of the organizations are financially strapped until they receive their grant awards.

On March 19, I received a call from the administrator of the Newark-based Ironbound Theater. He informed me that their bank had closed their account due to monetary problems. This organization, which has its theater in Rutgers University, was one of our greatest success stories. This is one example

of the many local organizations in Essex that are suffering due to cutbacks.

The Block Grant Program is an essential part of the State's grant program. The Aljira Center for Contemporary Art, the North Jersey Philharmonic Glee Club, Dance Compass, the Ensemble Theater Company, and Gallman's Newark Dance Theater all began with the Block Grant Program with grants as low as \$500. Because of this support and their superior management and fund-raising skills, these organizations now receive direct funding from the NJSCA that amounts to five figure awards.

In the face of shrinking corporate support, dwindling private philanthropy, and ever-decreasing public support, the arts will survive in New Jersey, but not without a struggle. On the national level, the recent challenges to the funding and administrative policies of the National Endowment for the Arts, which appears to adopt the fervor and pitch of witch-hunt like tactics, will soon pass once its detractors realize that the support and nurturance of the arts is essential to life and reflects the basic rights of freedom of expression and growth.

We accept the reductions in the State's operating budget and we look forward to better days. For now, we only ask for a more equitable distribution of funds -- more parity. We also ask for restoration of the previous staffing level at the State Arts Council, so that grants and other activities can be more effectively administered and their funding capability and prestige on the national level will not be adversely affected.

This is more than what some may term an "esoteric inkling" of a few arts organizations. The figures are in, and the facts are clear. The arts in New Jersey have added revenue to the State's coffers in excess of \$700 million. Frankly put, we need each other.

Thank you for your attention to this pressing matter.
(applause)

SENATOR LIPMAN: Thank you for your presentation.

SENATOR HAINES: Madam Chairman?

SENATOR LIPMAN: Yes?

SENATOR HAINES: Ms. Stephens, you mentioned private contributions, corporate contributions. Is there anything we can do to increase the corporate contributions?

MS. STEPHENS: At a recent Art Pride meeting we discussed that. The corporations that were present on the panel gave us some dos and don'ts and suggestions for the best way to approach them. It is real competitive right now. The money is shrinking. They have their priorities. So, out of this Art Pride meeting we did get some ideas on the best way to approach them.

But for county government agencies, it is a little bit more sticky, because a lot of the corporations will not fund county governments and, if they do, they really question where the moneys are going to be placed; if it is going to be for a specific project or added into the budget of the county. So for county governments we really suffer, because we are limited in the types of organizations or corporations and foundations that we can approach.

And you know what is happening in Essex right now. We are facing a \$97 million deficit. We've got employees being laid off everywhere.

SENATOR LIPMAN: Do you have any preliminary views of what will happen to your program?

MS. STEPHENS: As of now, our budget for our summer concert series has been eliminated. Last year we had \$104,000; this year it is zero. So we're doing what we can to get as many in-kind services as possible. We have approached AT&T. I think they are interested in funding our Independence Day celebration. We have audiences up to 20,000 people in one park, just to hear a concert. These people are crazy about it. The only thing we can do, while the budget has yet to get

to our Freeholders-- Maybe once it gets to them they will reinstate the funds. We are praying for that.

SENATOR HAINES: In your original statement -- if I have figured it out right -- the subsidy was only about 12 cents per person. It was very tiny.

SENATOR LIPMAN: Yeah, a small one, \$28,000.

SENATOR HAINES: Maybe it takes that to do it, but, you know, it seems like--

MS. STEPHENS: We have considered passing the basket, so to speak, to the concert goers. Plus we do intend to do some fund-raising, too. We have an enclosed area. We are sort of limited to the types of people we can-- We cannot have, say, Whitney Houston or Wynton Marsalis in a park setting. There would be no way for us to control the crowds. But we do have an arena and we are thinking of getting some pop stars. I don't want to mention any names -- Vanilla Ice, believe it or not and, well, the New Jersey Pops, hopefully to do some fund-raising for us. So we are forced to look to alternative sources for funding, which is good for us, too.

SENATOR LIPMAN: We wish you much luck; we really do.

MS. STEPHENS: Thank you.

SENATOR LIPMAN: We will go advocate with the Freeholders for it.

MS. STEPHENS: Thank you very much.

SENATOR LIPMAN: The Freeholders from Essex County.

You're next. Are you going to--

S T U A R T A L L E N: Thank you, Madam Chairman and distinguished panel. My name is Stuart Allen. Unlike my colleagues here on this panel, I represent the next lower tier. I think it is very important that we understand the very constituents you were speaking of this morning when you spoke of the inner city. I represent a city of 47,000 people -- the City of Plainfield. I would like to also stress that when the budget cuts went into effect, this board, the Cultural and

Heritage Commission of the City of Plainfield, did, in fact, enact a resolution that we would not compete for any State or country grant funds that would have us competing with other arts organizations within the community. I think that is important to note.

Plainfield is a city, as you are aware, located in the tri-county corner of Middlesex, Somerset, and Union Counties -- and we derive an audience from those three counties -- with a population of 47,000 residents of diverse economic, racial, ethnic, and cultural backgrounds.

In 1984, the city established, by ordinance, the Cultural and Heritage Commission, to ensure that arts and cultural activities were available to all of its residents, regardless of their ethnic, economic, or cultural background -- and I stress "economic, or cultural background."

Currently -- and it is important that we understand this also -- our city has over 100 cultural and artistic organizations within the community, including the Drake House Museum, a historical society, community centers, choral groups, theater groups, art galleries, arts workshops for seniors at the Senior Citizen Center, an arts program for the Association of Retarded Citizens, and the oldest symphony orchestra in the State of New Jersey -- the Plainfield Symphony Orchestra.

Plainfield is also very fortunate to possess one of the most valuable collections of art treasures in the world -- let alone in the State of New Jersey -- Albert Bierstadt's famous "Landing of Columbus in San Salvador" -- which has received much acclaim and publicity -- and also "Autumn in the Sierras," which is another six foot by 10 foot painting by the same artist.

One of the things I am going to go off my prepared remarks here and do is, to link these assets with some comments that Senator Haines made earlier concerning a linkage with tourism. The City of Plainfield brings in-house tourists in

our historic districts. We have four historic districts currently; we are working on a fifth. Over 20,000 people come into the City of Plainfield on an annual basis. We have an annual art festival that brings in between 15,000 and 20,000 people on an annual basis. We have also had a car show -- an antique car show -- that has brought up to 12,000 people into the city. This is a very, very important piece of linkage.

As you are aware, I presented before the Appropriations Committee last year a computer model also indicating the revenues derived from this type of activity. It is substantial. In the model I cited last year, we had received in State Arts Council funding in our city a total of over \$87,000. When we look at that money that was invested -- and I use the word "invested" -- in the City of Plainfield, that money generated in sales tax, State tax, and State income tax, \$96,000. Now, that is not a bad investment; that is not a bad investment at all. The freebie is the fact that we had 60,000 or 70,000 people come through the community to enjoy the programming that was made available to them.

Something else that is very important, is that the downtown business district in Plainfield was designated as one of the State's Urban Enterprise Zones. This is very important also to note, because here we are looking at a diminished tax base in this area to stimulate economic growth within the community. We are undergoing revitalization and redevelopment presently within the city. One of the things that is being looked at in the city is the cultural and artistic assets that are available to a corporation when it relocates or locates its facilities within the community. That is an important tool. It is an important selling point for the State of New Jersey. I think history will bear me out that many major corporations have moved into the geographic locations they have, based on the cultural and artistic resources that are available for their key employees.

SENATOR HAINES: I think you are absolutely right. That is a point that hasn't been brought out here. I think it is very important.

MR. ALLEN: The State Council on the Arts has always played -- in Plainfield's art history -- a very, very important role. We have always had a professional Arts Council staff that was available to us to provide the technical support required, not only by my board in the development of arts management programs, but also by many smaller arts organizations within the community. One of the things that I am very concerned about is the linkage between your artistic community, your cultural community, and, of course, the development of that community.

Operational assistance grant, matching grant, and fellowship grant applications-- While we do not directly apply for those, we help our constituents to apply for this type of funding. Although the process may have appeared cumbersome at times, all of the applications were evaluated by knowledgeable professionals in each of the artistic disciplines. The peer review process works. It worked well, and I stress, without the appearance or perception of political interference or favoritism.

I am very concerned about this because, again, Senator Haines raised a question concerning: What can we do in the corporate sense to initiate a corporate/private partnership with community arts service groups? One of the problems I have -- and we touched upon this -- of course, is the credibility factor -- the perception of political interference or favoritism. This is something that is looked to very carefully when a corporation provides a matching fund for an arts endeavor. A corporation does not want to have strings attached on a State or a county or a local level -- strings attached to their donations or to their grants.

One of the things I am looking at is that the State Council on the Arts, for the past decade, has enjoyed an exceptional reputation nationally and has served, as other speakers have verified, as a model to other programs in other states.

I am not prepared to discuss the internal policies of the Arts Council or its staffing, but I am prepared to raise concerns, on behalf of the 47,000 residents of Plainfield, about certain actions which heretofore have been taken that may have affected the ability of the Arts Council to administer their programs, and, in fact, the actual credibility of the Arts Council itself. Another thing -- and, of course, we have witnessed this by virtue of the cuts, and this will be addressed in another forum -- is the fact that our large community grants are only down by maybe about 40%. However, when I look at the small arts organizations -- the small choral groups, the poetry societies, etc. -- that grade of funding is down 70%.

Notwithstanding, obviously, the current fiscal constraints, which will be addressed in another month before this body again -- or other bodies -- we ask this panel to set forth, perhaps by resolution, a policy that would maintain the integrity of the operation of the State Council on the Arts and the administration of its diverse cultural arts programs.

Furthermore, I think immediate consideration must be given by this body to the restoration of all such operational procedures, policies, and personnel as set forth by law and legislative intent, which are necessary to comply with the regulations and guidelines as set forth by the NEA and other Federal agencies. In our case, we also receive NEH funding as well.

I think most importantly, as we begin the last decade of the 20th century, the New Jersey State Council on the Arts must be given the opportunity and resources with which to

continue to provide the necessary nourishment to our cultural and artistic community. It is vital to the preservation of the quality of life and economic health of the citizenry in the City of Plainfield.

I thank you for the opportunity to present this today.

SENATOR LIPMAN: We thank you for coming today, too. Senator Haines, did you want to discuss something with Mr. Allen?

SENATOR HAINES: The only thing is, I think the point you brought out that it is essential for development, for bringing new companies into the area, for the whole character of the area, is very well-taken.

MR. ALLEN: Thank you. If I may add, too, I think you asked also for other input with regard to the corporate sector. One of the things that may not be within the purview of this Committee, but I am sure you can take this back to your distinguished colleagues on the floor, is, I think there has to be some incentive -- financial incentive, perhaps a tax incentive, perhaps some form of incentive -- restored back to the corporate sector to encourage them, or to at least give some recognition other than a bronze plaque, perhaps, or a credit in a program, for some of their donations. In some cases, we are looking at major corporate structures, such as Johnson & Johnson in the case of New Brunswick. What happens when I have the smaller corporation that is looking at a \$2000, or maybe a \$5000, or a \$10,000 grant where it is a hardship to them to make that donation, but yet they are willing to make that sacrifice? I think something has to be done in that price range of a patron.

SENATOR HAINES: I also think your point that this should be independent--

MR. ALLEN: Absolutely.

SENATOR HAINES: Because you are not going to get the corporate sponsorship, you are not going to get the support of the general public, and so forth, if it isn't independent.

MR. ALLEN: An article appeared in the Sunday Star-Ledger, March 3, and within an hour I had three phone calls from corporate donors, and I had numerous phone conversations with private arts organizations. I am just going to quote the article -- which I am sure you have seen -- the one which says: "The Arts Council Firings Fuel a Threatening Storm." There is a remark about private partnership funds which were to be kept separate from Council appropriations so that the award of the money might be accomplished without the cumbersome paperwork of grant applications.

SENATOR LIPMAN: Oh my goodness!

MR. ALLEN: That is a direct quote from page 14, section 1 of the Sunday Star-Ledger. I had to do an awful lot of talking to overcome the perception -- and I use the word "perception" -- of what that article implied. It was devastating to everything we have done.

SENATOR HAINES: Absolutely devastating.

Madam Chairman, I have an appointment at 4:00 about 30 miles south of here. I have to leave.

SENATOR LIPMAN: We are going to miss you. All right.

SENATOR HAINES: Thank you.

SENATOR LIPMAN: Okay, Ms. Jennie Ayres Snyder, is that right?

JENNIE AYRES - SNYDER: Yes. I am here wearing two hats actually. I am the Director of the Cape May County Cultural and Heritage Commission, and the Secretary/Treasurer of the New Jersey State Association of Counties.

Before I go on with my remarks, I would like to add something to what Stuart has said. Being from the southern end of the State, corporate support is limited for another reason. There are not many corporations in the southern end of this State.

SENATOR LIPMAN: Right.

MS. SNYDER: So there needs to be a way of dealing with this issue as well, because the southern end is very hampered and, of course, I am from the very southern end, where we have no corporations in our county.

In the past, the press has heralded the accomplishments of the major arts organizations in New Jersey, and more recently, the press has bemoaned the effects that the current funding crisis has had on major institutions.

Omitted from all the press coverage, and from discussions about the current state of the arts, is the crisis faced by county and local arts groups. Local organizations apply to county cultural and heritage commissions, county arts councils, and other county-level designated agencies. The counties, in turn, on behalf of the local groups, apply to the State Arts Council for funding, through a process called the State/County Partnership Program.

Thus to speak only of the major theaters and performing arts organizations in the State does a disservice to the partners of the State Arts Council at the county and local levels.

This year alone, counties re-granted State funds to more than 460 local organizations in all 21 counties. The counties re-grant funds to more organizations than the State Arts Council funds directly. Of the 460 local groups, more than 18% are minority organizations and dozens more serve the ethnic communities.

For disadvantaged areas, for minority communities, and ethnic neighborhoods, the grants through the counties are often the only arts experiences available, and for the most part, are offered at little or no charge to the general public.

These 460 local grants generate a local level match four or five times the dollar amount of the grants. They assure access to cultural programming for the senior citizens reluctant to travel beyond their neighborhoods and to

disadvantaged residents whose means do not permit attendance at major theaters. These local grants through the State/County Partnership reach deep into the community to assure that every resident benefits from State arts dollars and it is the only grant program of the State Arts Council of which this statement can be made.

The county partners do much more than re-grant. We provide technical workshops and year-round assistance to the arts community. The effects of this year's funding cuts to the counties were devastating, both to local groups to whom we grant money, and to the level of technical services we provide to them.

In Cape May County, as a result of the reduced State Arts Council support: concerts have been canceled; the number of art classes reduced; and community theater performances decreased. In addition, groups have experienced much difficulty raising the additional dollars necessary to continue the production of their programs or the operation of their arts organizations. Technical assistance workshops and services are limited due to staffing shortages.

I might add -- and this is not in my statement -- the Mid-Atlantic Center for the Arts is the largest arts agency within Cape May County. My department re-grants funds to 15 smaller local arts organizations. Therefore, you can see how the expedient processing of awards and grant contracts is critical to the very survival of the small community groups.

We look to this Committee to, at the very least, maintain the level of funding and professional services to the counties, but, more importantly, to strengthen the State/County Partnership which forms the infrastructure for the statewide arts community.

Thank you. (applause)

SENATOR LIPMAN: Thank you very much.

All right, you are Mr. Higginson, of Union County?

W I L L I A M J. H I G G I N S O N: Yes. Thank you very much for your patience in sitting through what is only one day of many days, I am sure, of testimony on various matters. I would like to--

SENATOR LIPMAN: This one is a pleasure.

MR. HIGGINSON: --say that the current difficulties between the Secretary of State's Office and the State Council on the Arts, if not speedily resolved, have the potential of to seriously hamper the productivity of a large segment of the economy -- those benefiting directly and indirectly from government support of the arts.

I will skip ahead a little bit here, because some of this has been covered, but one group that has not been spoken of today, within my hearing, at least, is those who provide supplies, provisions, services directly to arts groups which are not, themselves, arts producers. So you have an addition to the tourism industry. You have those who directly supply the arts industry.

This entire group -- the arts groups, the travel industry, those who supply the arts groups, and so on -- was already seriously wounded last year when the deep cut to the Council's grants funds had the effect of delaying decisions on Fiscal Year 1991 grants. The problems occasioned by last year's cut were not only financial. For some groups, particularly those served through the State/County Partnership Program, which we represent, the delay itself was the serious problem.

Skipping the next paragraph: Normally the Council makes its announcement toward the end of July each year. Immediately following that announcement, the county agencies have to determine the actual amounts of the re-grants to be awarded locally, and request revised budgets from the organizations, which in almost every case will receive less than they originally applied for. Last year's announcement

came two months later than usual, in September, after the season had already started. Groups funded directly by the Council were already at the beginning of their seasons before they knew how much they would have from the Council. Those are the groups the Council funded directly. The local groups funded through the State/County Partnership were even worse off, having to wait for the county agencies to once again review their requests and determine dollar amounts.

In Union County, the cut was so substantial that some groups which we had anticipated funding were not funded. The decision was so late that they did not know they would receive no funding until about the beginning of October, well into their activity for the year. Other counties had similar problems.

The Arts Council staff did a Herculean job, getting contracts out within two weeks of the announcement. Even so, the delay in the announcement meant that all the work needed at the county level was delayed six to eight weeks beyond the normal schedule. Consequently, among 10 counties polled by phone yesterday, only six were able to get checks out to re-grantees before the end of December. Almost half the counties contacted were not able to send the initial payments to their re-grantees until after the first of the year.

So, in addition to not knowing how much funding they would receive, if any, until almost two months later than usual, the local arts groups received their initial payments a good deal later than usual. It is as if parents were told in August that they would not know how much money they would have for the school year until after school started, and then didn't receive a substantial part of it until the New Year. The kids go to school in September, but maybe they go to school barefoot. And what about next year?

There were drastic staff cuts at the State Council on the Arts last year, and recently more Council staff were cut,

then reinstated. The arts community is understandably nervous. Frankly, I did not know until this morning's testimony, for example, that the personnel who were transferred out of the State Council on the Arts were left within the State Council's budget. Rather an appalling condition!

At the county level, we have urged arts groups to plan ahead. Generally we require our applicants to tell us in January or February what they will do the following September through June. But how can they plan ahead in this environment?

At the counties, we do not have enough information to comment on the current dispute between the Secretary of State and the Council on the Arts. But we do know that the grants process for the coming year has already been impaired by that dispute, and that the arts community that we serve will be badly hurt if we allow this problem to continue, resulting in another year of delays in the grants process. The counties make access to the arts happen by funding and giving technical assistance to the "little guys" who provide access to the arts for many of our less-well-off citizens, our handicapped, minorities, and senior citizens. If you truly believe in all of our citizens having access to the arts, you must do what you can to resolve this crisis now, before further damage is done to the grants process of the New Jersey State Council on the Arts.

Thank you. (applause)

SENATOR LIPMAN: What I hear all of you saying is, you understand that there were budget cuts -- there had to be budget cuts. You didn't expect some of them to be so severe, but they were. But, in any case, it would have been beneficial, even with the short money, if you had had proper delivery of the funds.

MR. HIGGINSON: Exactly.

SENATOR LIPMAN: That is what I hear all of you saying.

MR. HIGGINSON: Exactly.

MR. ALLEN: And also, the feeling of support behind, and a recognition of the importance of the arts and cultural community. I think that support is also a catalyst that would be needed to pry loose some corporate funding, that heretofore may not have been available.

SENATOR LIPMAN: Yes, the corporate funding is very important.

MR. HIGGINSON: Part of what happens here is that if the integrity of the State process is diminished in any way, it reflects poorly on all government entities and other arts entities -- nongovernmental entities -- as well. So you not only create a climate in which there is less money to say, "Well, we already have this piece in place," which is very attractive to many funders, but you also have a fishy situation. It begins to smell. People say, "I will put my money into a hospital, or into some other thing." These are all important things. But I think people should be given the opportunity to see the arts as important and as aboveboard as any other part of our philanthropic situation in society.

SENATOR LIPMAN: I think the potential has always been there. It has just, of late, been diminished.

MR. HIGGINSON: You're right.

SENATOR LIPMAN: What we are hoping will proceed from this hearing is that the Arts Council will assert its own independence once more. We will see where we are, with the cooperation of the executive and the legislative. I am sure we all want to see that the arts in our State stay, and are not destroyed. Hopefully, we will get things in place once more.

Thank you so much for coming.

MR. HIGGINSON: Thank you very much.

MR. ALLEN: Thank you.

SENATOR LIPMAN: We will now have the CWA Local No. 1033. Are they still here? (affirmative response from

audience) Ms. Darlene Hendrix, and who else? Who else is with her? Oh my goodness! You, too, have some pals, right?

D A R L E N E J O H N S O N H E N D R I X: Oh, there are not that many. It won't take that long.

SENATOR LIPMAN: It's all right. That's what we are here for. You're Ms. Hendrix?

MS. HENDRIX: Yes, I am the President of CWA Local No. 1033.

SENATOR LIPMAN: Are you going to introduce your colleagues at the table?

MS. HENDRIX: Yes, I am. This is John Kelly, Executive Vice President of CWA Local No. 1033. This is Dolores Truchon, Chief Shop Steward for the Department of State, CWA Local No. 1033. And this is Jon Wineland, who is also on staff. He is the Secretary of CWA Local No. 1033.

SENATOR LIPMAN: Okay.

MS. HENDRIX: I am just going to make a brief statement. They are all going to testify.

SENATOR LIPMAN: All right.

MS. HENDRIX: Good afternoon, Senator Lipman and members of the Committee.

SENATOR LIPMAN: Excuse me for just a minute. (brief comment here to hearing reporter) Are you okay? Do you have all the names? (affirmative response) All right, let's go.

MS. HENDRIX: I am Darlene Johnson Hendrix, President of CWA Local No. 1033. My local is Trenton based, and includes 6500 State workers in the Treasury Department, Education Department, Law and Public Safety, and six other departments. One of the other departments is the Department of State.

My union is here today because I am deeply disturbed by the developments in the Department of State. My union, more than any other, understands the proliferation of nonunion, non-Civil Service jobs in State government. Project specialists have been illegally placed in hundreds of positions which should have been filled through Civil Service procedures.

I am disturbed because the Secretary of State attempted to address her budget crisis by pursuing a measure recommended by my union: Dismissing nonunion, noncareer employees whose job functions can best be assumed by other Department career workers.

On the other hand, my union has suffered the layoff of 20 professional line positions at the Department of Education. In that layoff, no criteria was used. In one instance, a name was drawn out of a hat. We had one unclassified member who had been with the Department of Education for 31 years. On February 28, 1991, he received a 30-day layoff notice. I have just recently been informed, this afternoon, that Rich Keevey has sent a letter to all department heads advising them that by April 12 they are to submit a list that would include additional layoffs. It is my understanding that these layoffs will not be unclassified. There is not supposed to be anyone from the early retirement package, which is out, as you know--

SENATOR LIPMAN: Right.

MS. HENDRIX: --or through attrition. So this is more of our unclassified people -- I mean classified workers who are probably going to be laid off.

With all of that going on, here we are sitting today with your Committee considering a need to place employment at the Arts Council into the hands of patronage. You are considering the need to duplicate agency functions at a time when all parties are calling for the streamlining of State government. Altering the current structure of the Department of State will not serve the taxpaying citizens of New Jersey, but organized special interests.

My union believes that the needs of the arts groups throughout the State, and those assembled here today, will be best served by a dedicated, efficient, career service staff at the Arts Council. I believe this is Secretary Haberle's objective. I urge you not to meddle in these State employment matters.

I urge you also to listen to the testimony of Dolores Truchon. She has been employed by the Arts Council since 1981. She will provide you, in her testimony, with observations from an insider and a career employee. John Kelly will provide testimony on the constitutional, statutory, and regulatory aspects of the classified career service. Jon Wineland will provide testimony with respect to the appointing authority and project specialists.

SENATOR LIPMAN: All right. Just a second. I want to ask you a question: Are you saying that your union requested that the Secretary lay off unclassified persons, if she had to lay off anyone?

MS. HENDRIX: Yes. That was the recommendation from the Governor himself. He issued a press release on January 23, I believe.

SENATOR LIPMAN: Yes.

MS. HENDRIX: Two people that Secretary Haberle let go were project specialists.

SENATOR LIPMAN: Were project specialists?

MS. HENDRIX: Were project specialists. Have these people been returned?

UNIDENTIFIED MEMBER OF COMMITTEE: I cannot answer that. I believe they have.

SENATOR LIPMAN: They have been returned, all right. So your union did make the request that she lay off these nonunion persons?

MS. HENDRIX: We didn't identify those two individuals. What we said was that with the budget cuts that each department had been asked to make, that what they do is look at the project specialists before laying off career workers. Project specialists, as you know, are supposed to be hired for a short duration -- one year.

SENATOR LIPMAN: For a project?

MS. HENDRIX: Right, for one specific project.

SENATOR LIPMAN: I understand that. Okay. You ask that this Committee not meddle in State employee situations. I have to tell you, this Committee is over all State employees. So, be gentle with us, please.

MS. HENDRIX: Okay.

SENATOR LIPMAN: Who is going to speak next?

MS. HENDRIX: Dolores.

SENATOR LIPMAN: All right.

D O L O R E S T R U C H O N: Good afternoon. My name is Dee Truchon. I have been employed at the Council on the Arts since 1981. I also hold the elected position of Chief Shop Steward for the Department of State.

I am here today to give the Committee an insider's view, if you will, from a union career service perspective of what has occurred over the past decade at the Arts Council relative to employment practices.

Before I go on with my testimony, I would like to say that having worked with the Arts Council, I understand the frustration of the arts groups. I have watched the programs being cut. I have watched all of that going on. It has been a terrible thing to witness, having worked at that agency for 10 years. However, I am not here today in support of the Arts Council becoming an independent authority.

When I began working at the Council in 1981, the agency was part of the Department of Education. At that time, all Council employees held classified, career service positions. During my first year of employment, a bill was introduced, by Senator Stockman I believe, to move the Arts Council from the Department of Education to the Department of State. I brought this legislation to the attention of my union, because the language in the bill would have moved everyone employed at the agency from classified, career service positions into unclassified positions that would "serve at the pleasure of the Executive Director."

Subsequent to CWA's intervention, that language was removed from the bill and it passed in 1983. I bring this to the Committee's attention at this time because I believe it lays the foundation for what has taken place at the agency since its move to the Department of State.

From 1983 on, under the direction of the former Assistant Secretary of State, Alvin Felzenberg, every classified, career service, professional position vacated, or new position created, was, without exception, filled by a project specialist or, as in one instance, a confidential appointment. It is necessary to point out that these project specialists performed tasks identical to those previously performed by career service employees, year in and year out. The result, in my opinion, was a deliberate, systematic dismantling of career service, professional positions at the Council on the Arts to the detriment of the constituents it was created to serve, as well as to the citizenry of New Jersey. A list of the names of these project specialists is included for the record.

I am deeply concerned about the administration's and the Legislature's reaction to recent personnel actions initiated by the Secretary of State. Historically, the Department which houses the Arts Council has been considered the appointing authority for the agency. The Department of State, in an effort to meet its mandated 8% budget cut, fired a confidential secretary and two project specialists. This was done to avoid laying off career service employees in the Department. The Secretary's decision to terminate these positions is in line with the administration's commitment that these types of positions would be eliminated before career service workers were laid off.

Confidential appointments and project specialist appointments are basically political appointments. People who accept these positions do so with the understanding that

lifetime job security is not a privilege they enjoy. It is my firm belief that if these positions were truly vital to the success of the Council's mission, efforts would have been made a long time ago to make them permanent. The fact of the matter is that they were not. Arts Council management and/or Council Board members initiated no such action, even though these individuals have been employed at the Council for an extended period of time.

Likewise, appointments to State commissions and councils are made by the Governor and are purely political appointments. To place the authority to hire and/or fire personnel in any State agency in the hands of a politically appointed board would be to create an agency subject to upheaval every time a new administration comes into power.

In the interest of fairness to employees of the Council, the constituents it represents, and the citizenry of New Jersey, I urge the honorable members of the Committee to recognize that the responsibility of acting as appointing authority for the Council on the Arts should remain with the Secretary of State. Additionally, as a career service employee and a union member, I feel strongly that the Secretary of State should be supported in her efforts to eliminate these positions, especially in light of the State's current fiscal crisis.

Thank you.

SENATOR LIPMAN: Let me just ask you one question: You would suggest, that is from the frame of reference you are using, that the employees of the Council on the Arts, if not Civil Service members when they are elected, be given Civil Service examinations and become career service employees, or not get the job until they are--

MS. TRUCHON: I am not saying they should not get the job until they are-- What I am saying is that steps need to be taken to ensure that this kind of thing does not happen to the

agency again. If the people who were hired as classified people left -- as career service employees left -- and were hired from lists of program coordinators Council on the Arts -- that is the series -- or other lists that would be appropriate, when it came time to cut the budget and it came time for the layoffs to happen, those people, all of them so far who have been let go, would have had the privilege -- if you want to call it a privilege -- of getting 45 days' notice, just like every other career service employee gets.

SENATOR LIPMAN: I see. I am beginning to understand.

MR. CARROLL (Senate Minority Staff): Senator Lipman?

SENATOR LIPMAN: Yes?

MR. CARROLL: May I ask a question, through you?

SENATOR LIPMAN: Yes, you may, Jim.

MR. CARROLL: What is your position with respect to the five people who were transferred out of Council employment to, apparently, other departments, who are still being paid out of the Council's budget?

MS. TRUCHON: As the Chief Steward for the Department, I have had discussions-- It is my understanding that those people who were transferred-- I am one of those people, but I have been temporarily reassigned because someone is on medical leave; I was not permanently transferred. The ones who are still carried on the Arts Council payroll, it is my understanding, are doing Arts Council work. Now, I have not seen the paperwork, but I know there are people in Fiscal who handle just the Arts Council paperwork processing for payments. I know in the Grants Unit there are people who just take care of processing that.

SENATOR LIPMAN: You say that people who have been transferred are still doing the Arts Council's work?

MS. TRUCHON: Yes. I think it is important for the Committee to recognize also that the agency gets in-kind services, if you will, from the Department. The processing of

the personnel paperwork, and all the other functions that are done by the Department, are done by people who are not on the Arts Council payroll.

SENATOR LIPMAN: I am just a little confused, because if you transfer an employee to another job, and he or she does that job well-- Is part of the job to do the work of the Council, or to do the work of the position you have been transferred into? That is what is confusing.

MS. TRUCHON: Okay. When the determination was made that the fiscal situation in the State was what it was, and the Governor talked a lot about streamlining State government -- centralizing functions, and things of that nature -- people were transferred to the Fiscal Division of the Department to process fiscal paperwork.

SENATOR LIPMAN: Okay.

MS. TRUCHON: The Grants Unit.

SENATOR LIPMAN: All right.

MS. TRUCHON: There was one person who was transferred to the Elections Division. I'm sure that person is not doing Arts Council work.

SENATOR LIPMAN: Now, that is what I wanted to find out.

MS. TRUCHON: I don't know that she is still carried on the payroll either. Okay? I cannot testify to that.

SENATOR LIPMAN: You can't say that, okay.

MS. TRUCHON: I am on temporary assignment. The other person who was transferred was transferred to the Computer Section, which is the type of work he did at the Arts Council. It is my understanding that he is available to the Arts Council to continue to do that sort of work for them.

SENATOR LIPMAN: But not solely working for the Arts Council?

MS. TRUCHON: Not solely.

SENATOR LIPMAN: Not solely?

MS. TRUCHON: Right.

SENATOR LIPMAN: I see. I am trying to make a picture here. Are you finished? (affirmative nod) Okay.

J O H N K E L L Y: Prior to my giving my testimony, we earlier presented two packets of information to the Committee.

SENATOR LIPMAN: Would you please state your name?

MR. KELLY: My name is John Kelly. I am the Executive Vice President of this local union, CWA No. 1033. We thank the Committee for allowing us to testify.

I just want to make sure that we refer to the document packages that I provided to the Committee. The first document package I will speak about is this document package. (holds up package) The next document package is this. (holds up second package) I will be more than happy to further delineate later in my testimony.

SENATOR LIPMAN: All right.

MR. KELLY: Good afternoon, Senator Lipman and members of the Committee. My name is John Kelly, and I am the Executive Vice President of CWA Local No. 1033. My testimony will focus upon the constitutional, statutory, and regulatory underpinnings of the classified career service, as well as the specific impact of dismantling that process at the State Council on the Arts.

Section 2 of Article 7 of the State Constitution in pertinent part, calls for: "Appointments and promotions in the Civil Service of the State shall be made according to merit and fitness to be ascertained, as far as is practicable, by examination, which as far as is practicable, shall be competitive, with additional consideration of any mandated veterans' preference." That is also included in the same subsection of the State Constitution, which is the first document on the top of that package.

Title 11A of the Revised Statutes created the Department of Personnel to perform the constitutional mandate

cited. N.J.S.A. 11A:2-11(F) empowers the DOP Commissioner -- Department of Personnel Commissioner -- to: "Establish the selection process." In other words, the competitive testing system for hiring and promotion of State workers.

Like any other agency, regulations may be promulgated by the DOP. Specific enabling regulations springing from Title 11A are contained in section 4a of the Administrative Code. The unclassified service, now covering 50% of Arts Council workers, is to be used as an alternative to classified service only if: "Mandated by statute or if it is impracticable to test for positions due to the unique skills or education involved." This definition is contained in subchapter 3 of Chapter 4a of the Administrative Code.

SENATOR LIPMAN: Yes. This Committee put that Act out, sir.

MR. KELLY: And we testified at length on that Act, Ma'am.

SENATOR LIPMAN: Yes, I know.

MR. KELLY: Neither statutory mandates for unclassified service, nor impracticability to test are conditions present at the Arts Council. The statute does not mandate the unclassified service, and, as Ms. Truchon just stated, Civil Service was able to test for professional positions, as evidenced by the job specifications for the classified titles you have in your first packet.

However, a relatively new wrinkle in the unclassified service was created by the Civil Service Department in 1973 and continued and expanded under the Department of Personnel. That wrinkle is the title of project specialist. Originally, there was a justifiable usage of this title, but as you will see, the justification is not applicable to the Arts Council.

This title was created by the enclosed Salary Adjustment Memorandum -- SAM 45-73 -- to hire individuals for: "finite State projects of short duration; and that extensions

of such employment shall need Civil Service approval" -- now DOP approval -- "and that specialized funding is provided for the position."

This was modified later in 1973 by SAM 45-73 amendment to include any source of funding. This opened the floodgates of project specialist employment. The funding restrictions were restored by DOP Commissioner Andrew Weber in 1990. That two-page memorandum is also included in your packet.

Another salient feature of project specialist employment is the one-year limitation as embodied in the referenced SAMs, to be extended by Civil Service or DOP for sufficient cause.

The Arts Council was created in 1966 and has been funding the arts ever since. Obviously, this is no "special project," but an ongoing function of State government which has been continuously funded by the Legislature ever since.

Why then, in the 1980s, was every vacancy in the professional ranks at the Council on the Arts filled with project specialists? Surely not to insulate those individuals who processed grants of public moneys from political or other sorts of coercion. Why also, would certain members of the arts community be concerned with specific individuals on the State payroll? In an era of dwindling resources, one would expect community concern to revolve around preservation of funds for arts endeavors deemed worthy, as opposed to protecting individuals outside the career service.

And that is why a recent decision made by the Governor's Office is especially troubling. Terry Marshall was in the title of project specialist at the Council. As can be seen in the memorandum you are reading now -- this memorandum (holding up memorandum)--

SENATOR LIPMAN: This one?

MR. KELLY: Yes, the top one. As can be seen by that memorandum, the Department of Personnel rejected the

continuation of her project specialist appointment because it didn't meet the guidelines in former DOP Commissioner, now Chief of Staff, Andrew Weber's July 1990 memorandum.

As can be seen from the handwritten comments from a DOP staffer, if the position was to be continued, it would be more appropriate to use the open competitive list for the contract administrator series in the classified service.

Included in the self same packet I just gave you, you will find the above-referenced certification list. There is one disabled veteran and nine additional veterans at the top of this list. The State Constitution calls for preference for veterans to be given, if legislation to that effect was enacted. We have veterans' preference -- strong veterans' preference in this State. What do we say to thee people who expect preference in government employment?

Let me conclude by saying that Secretary of State Haberle should be lauded for releasing political appointees to save budget moneys for career service workers and to carry out the functions her agency oversees. This Committee has an opportunity to stand for the protection of the career service and influence-free public servants whose grant determinations can never be called into question.

Thank you.

SENATOR LIPMAN: Being Chairman of the State Government Committee makes me understand about your opinions as a union. I know it has been a goal of the CWA to limit the unclassified workers, that is those working without Civil Service status -- temporary employees, let's just call them that, because I don't know all the correct terminology about it. I understand that very well.

However, would it be advisable for your union in your discussions with the Department of State to suggest -- with the Council on the Arts, if you talk to them at all -- that their employees perhaps should think about taking Civil Service exams? That is what you are saying so far.

MR. KELLY: Exactly, ma'am. But let me go one step further: The problem here is that ultimately these job classifications existed and oftentimes lists were promulgated for these classifications. However, the Arts Council eschewed the opportunity to use these lists to be able to employ professionals. The merit and fitness doctrine in the State Constitution indicates that there is one agency -- the Department of Personnel, at present -- which has the expertise to develop testing methodologies -- psychometrics -- to be able to determine the types of employees best suited for particular jobs. It was quite evident, historically, that they were able to develop job specifications and titles for individuals professionally capable of processing arts grants.

All we are saying here is, those individuals should be individuals within the career classified service. We feel that is in the best interest of the arts community, and the best interest of good, effective government in the State of New Jersey.

SENATOR LIPMAN: All right. I understand, and I am sure that the other Senators on this Committee -- if they were here -- would understand what you are saying, too. Yes, Jim?

MR. CARROLL: I am not so sure. Maybe I can't speak for the other Senators, because I am not a Senator, but I am having a little problem. Did you listen to the earlier testimony today?

MR. KELLY: I have been here all day, sir.

MR. CARROLL: The preponderance of that testimony was the desire to insulate the Arts Council from political influence. You didn't get that message?

MR. KELLY: Well, I think, unfortunately, what happened was, the people who were making those statements were not clear and cognizant of what the classified career service means, sir. The classified career service indicates that individuals are hired for ongoing State needs, such as

processing arts grants; that those individuals should be hired by an open, fair, and free competitive forum; that those individuals, when they are hired, will be able to conduct their business in a professional manner, as it should be conducted; and that the agency that can work best to develop those testing methodologies is the Department of Personnel, which often consults with agencies to make sure that its testing methodologies meet the needs of the agencies that are going on.

What happened was, after the classified service was dismantled during former Secretary of State Jane Burgio's tenure, individuals were hired outside of that system and, unfortunately, had they not been hired outside that system, they would likely have been able to survive the first round of budget cuts and, therefore, adequate staffing would have been maintained at the Arts Council.

MR. CARROLL: Well, that leaves my second question: What makes you so sure that the people who are going to replace -- the people who will ultimately be under this administration, are going to be classified Civil Service?

MR. KELLY: Well, this is an ongoing aim of the CWA. This is what we are going to be trying to ensure. The illegal and continuous appointment of project specialists is being brought through the appeals process of the Department of Personnel, and should it need to go to another forum, it shall be brought there.

SENATOR LIPMAN: All right.

MR. KELLY: We have one more speaker.

SENATOR LIPMAN: Yes, I know.

J O N W I N E L A N D: I just want to briefly testify on the issue of an appointing authority. There seems to be a little confusion over that today. I coordinate a lot of the problem-solving work of our local, and there is no doubt in my mind that from the labor perspective, or the employee personnel perspective, the appointing authority is currently the

Department of State. Every grievance, every Civil Service appeal, every disciplinary action, and negotiations concerning Arts Council employee matters, are all done directly with the Department of State. Once in a while we will file a grievance at its first step with the Council, but most--

SENATOR LIPMAN: Why don't you do that always, if they are independent?

MR. WINELAND: In most recent years, they have assigned an employee relations coordinator for the Department, who is to be informally worked with.

SENATOR LIPMAN: Oh, I see, that is the reason.

MR. WINELAND: Plus, many of these things were Civil Service appeals, which went directly to Civil Service, and the Department obviously had to respond to those, not the Arts Council.

SENATOR LIPMAN: Did you listen to the testimony of the former Secretary of State?

MR. WINELAND: Yes.

SENATOR LIPMAN: She said this morning that she had no connection; that is, she did not consider herself in charge of the Council's employees.

MR. CARROLL: She signed the paperwork. Did the paperwork, that's all.

MR. WINELAND: She obviously--

SENATOR LIPMAN: She processed them for-- I am just trying to get to the bottom of this. She processed them for salary recommendations and so forth, and payment, but she had no participation whatsoever in grievance hearings and all that. I took for granted, because of her testimony, that the Council heard its own complaints, and does not-- You're telling me that they go to the Secretary of State?

MR. WINELAND: Most of the business in there goes directly to the Division of Administration. They have had a variety of people under the Director of Administration assigned

as hearing officers, assigned as employee relations officers. Grievances always get filed at the first step naturally, but the bigger matters that have come out of the Arts Council have all been handled directly with the Division of Administration, Department of State. They took responsibility for them. They were obviously the employees of the former Secretary.

SENATOR LIPMAN: I see. This issue is getting cloudier.

MR. KELLY: Ma'am, one additional thing: In the packet I handed out, there is a Form CS-44 for a particular position, that position being that of Kathi Levin. Kathi Levin is a project specialist.

SENATOR LIPMAN: You know, I wish you wouldn't use names.

MR. KELLY: This form is signed by Arthur Hoenig. Arthur Hoenig was a direct designee and employee of former Secretary of State Jane Burgio.

SENATOR LIPMAN: Now, you're saying that to say what?

MR. KELLY: What I'm saying--

SENATOR LIPMAN: You're not going to get away with that.

MR. KELLY: Okay.

SENATOR LIPMAN: Clarify your last statement.

MR. KELLY: What I am saying is, this form is the form designed in order to describe the job duties of a requested position. It is not merely a payroll form. It is a form for when you want to hire, when you want to actually promote-- Certain promotions work like this. But when you want to hire an unclassified project specialist person, you describe the duties for that person on a CS-44. It is called a DPF-44 now because it is the Department of Personnel. On this form, a representative of the appointing authority, the hiring authority, the authority that is requesting this job to be done, and who also approves of the duties concomitant with this

job, has to sign off on this. This particular document indicates that Mr. Arthur Hoenig signed off on it, and Mr. Arthur Hoenig -- and I know this personally, because I dealt with both these individuals -- worked directly for former Secretary of State Jane Burgio. That happens to be the way it was.

SENATOR LIPMAN: I see.

MR. CARROLL: I don't think he understood what the Secretary of State was saying this morning.

SENATOR LIPMAN: Well, she said she signed off on all employees for the purpose of getting them paid. She said she had no direct connection, influence, with how the Council on the Arts hired its employees, for what they needed. There was another point brought out that her deputy looked carefully at every situation, however, and sort of used his influence -- that was the other suggestion made -- on whatever events were necessary, or were happening at the time.

MR. KELLY: Respectfully, Senator Lipman, Secretary of State -- or, rather, former Secretary of State Jane Burgio rather narrowly construed the exact authority of what an appointing authority was. There was much left unsaid in her short testimony.

SENATOR LIPMAN: Yes, all right. Do you want to say something?

MS. TRUCHON: Yes, I do. As the steward at the Arts Council, as the situation with the project specialists seemed to grow there and there were more of them than career service employees, on several occasions I spoke with former Director Jeffrey Kesper about the project specialists situation at the Arts Council. During one of our last conversations about this -- I believe it was last January, right after the new administration came in-- I went to him and I said, "Jeff, we are going to do something about the project specialists, because there is the deficit, you know." His response to me

was that he had always thought these positions should be career service positions, and that the reason they were project specialists was at the direction of the former Secretary of State, Alvin Felzenberg; that he refused to fill those positions unless they were filled by project specialists. Now, I doubt that Jeff was not being honest about that. (brief consultation among witnesses at this point)

SENATOR LIPMAN: All right. Well, having made the picture cloudier, instead of clearer--

MR. WINELAND: This is why we wanted to make sure the testimony got in before the end of the day. We talked to Senator Stockman earlier. There are a lot of-- Whatever your decisions or deliberations in terms of altering the structure of the State Department vis-a-vis the Council on the Arts, these things must be taken into account -- okay? -- because we do represent those unions.

SENATOR LIPMAN: Yes, we understand that. Remember, you always appear before our Committee. I know what your usual requests are.

MR. WINELAND: May I just conclude?

SENATOR LIPMAN: Go ahead. I'm sorry.

MR. WINELAND: I want to put a little perspective to where this union has to come from. The issue is not art funding or proper staffing at the Council. We certainly would advocate greater funding for the arts. We were upset when we saw the 47% cut last year. Adequate staffing is one of our fights in every agency.

SENATOR LIPMAN: I know.

MR. WINELAND: We had 500 people at Human Services headquarters just today at noon. Okay? But we also have to take stands in terms of, what happens to union positions? At this agency, they almost wiped out the union positions. Now, we have 350 career service union members at the Department of State. They know the CWA's position statewide is, "Project

specialists first." They saw that that occurred. That was announced -- okay? -- in their Department. Then they saw them hired back. So when the shop stewards throughout the Department of State had their group meeting, this was a hot topic. You can imagine how they looked at it.

We don't know how many of those 350 will lose their jobs this spring. We know they are in jeopardy. The Governor says 3500. If we defend our contract, it is going to be 10,000. The numbers coming out -- that we are going to get this evening -- we are being told are staggering. And this is just the first round in April still. These 350 people who are career, who are Civil Service, see that three non-Civil Service people who were let go at the request of the union on a statewide basis, were returned. You can imagine where that puts those people, and the side this union has to take in this matter.

The whole situation -- this entanglement with this issue -- could have been avoided, obviously, by maintaining the career service people at the Arts Council, all except, of course, for the management.

SENATOR LIPMAN: You're not saying there are no career employees employed by the Arts Council, are you?

MR. WINELAND: No.

SENATOR LIPMAN: You're not saying that at all. You're saying there is a preponderance of unclassified employees at the Arts Council.

MS. TRUCHON: Not right at this moment, because they have been let go over the course of time.

SENATOR LIPMAN: No, because they have been cut in half, right?

MS. TRUCHON: All during the 1980s, every time a professional career service position was vacated, it was filled by a project specialist, and at one point there were 16 of them, and there were, like, nine career service people.

SENATOR LIPMAN: There are supposed to be 10. I understand they thought they had 26.

MR. WINELAND: One final note: Obviously, in response to restoring all those project specialist positions, and the upset of our membership throughout the Department of State, we were required to take action. So we have filed appeals, and we will be in an appeal process through the Department of Personnel and the Merit System Board to have these appointments undone, as being illegal.

SENATOR LIPMAN: Yes, your union is working--

MR. WINELAND: That is just an extra complication I am pointing out.

SENATOR LIPMAN: That is part of your creed, your duty, to look to that.

All right, well thank you very much for coming today. I have heard from some other persons in the CWA this particular point of view, but you pursue it in every agency, and the Council on the Arts is no different.

MS. TRUCHON: Is no different.

SENATOR LIPMAN: I understand that.

MR. WINELAND: Thank you.

SENATOR LIPMAN: Thank you very much for coming.

Now we will have Mr. Robert Koenig, Director, and Mr. James Mills, President of the Board, Montclair Art Museum. I didn't know you were here. I thought you were sending your testimony.

J A M E S T. M I L L S: No. We have been enjoying almost all of the long day, and learning a great deal.

SENATOR LIPMAN: Oh, very good. All right.

MR. MILLS: Madam Chairman, ladies and gentlemen: I am Jim Mills, President of the Board of Trustees of the Montclair Art Museum. This is Bob Koenig, who really knows what goes on at the Museum. We are going to be very brief, but we came to Trenton to express our deep concern for the future

of the Arts Council. Our concern, I think, has been relieved somewhat, although I must say some people are already feeling the effects of the controversy much more severely than we have as yet.

I think you have heard every good argument that could be stated why the arts are so important to this State, and why we need an independent professional body to distribute the State's money. So we do not want to repeat any of that. Bob wants to talk a minute to your question about how the grants are processed, have worked, and will work.

I just want to make this final point: I think I hear a loud consensus that this body -- the State Arts Council -- should be independent and should be professional.

SENATOR LIPMAN: Yes.

MR. MILLS: I have heard that over and over today, and I believe that is the direction we are headed. But there is another factor, which is that it needs support.

SENATOR LIPMAN: Right.

MR. MILLS: I don't mean more money necessarily, although I think that is very important, but it needs a friend in the executive branch. We have heard from the Governor in letters, and I am sure others have, about how deeply he supports the arts in the State of New Jersey. I hope that conviction on his part is expressed through his offices to the Council, because although they need independence and respect, they also need support.

SENATOR LIPMAN: Yes, we agree. We can hope that these ongoing discussions between the administration and the Arts Council and the Secretary of State will continue. The Legislature, of course, is the other side of the picture. But we do believe that it is because of our interest in this whole question that these discussions were initiated. I have to give the Legislature a little credit.

We hope that the continuation is going to be very fruitful between the administration -- the Governor's administration -- and the Council on the Arts and the Secretary of State. Certainly I think the Legislature supports the arts. Our function is, like, the checks and balances-- That is what we are being today -- a check.

Thank you very much.

MR. MILLS: Thank you. Bob?

ROBERT J. KOENIG: Senator Lipman, thank you. I want just to brush in my experience with grants on both sides of the fence -- both applying for them and being on panels. I have done that in other states -- in Kentucky. I am the Governor for New Jersey of the Mid-Atlantic Association of Museums, so I know how the process works in other states.

I have been working with the Council for 10 years. Ten years ago, at the end of the '70s -- and this was referred to this morning -- the situation was not as good. But in the last few administrations of Council Presidents and certainly Jeff Kesper's professional direction, the process was impeccable. And let me just take one grant category and explain how it worked.

I was a panelist in the crafts category, both for the fellowships and for the organizations. You get a packet of the applications and you are expected to study them and make comments and fill out a rating form. Then you take that with you when the organizations and the artists are presented. In the organizations-- Every aspect of the organization's operation is covered. The budget particularly we study very carefully, and their goals, their mission, the implementation of that. And there is discussion back and forth. Things are really looked at very carefully. If there is a serious problem, then the organization may not get the grant, or they can be invited to consult and do something about the situation that is problematic. After that has been rectified, then they can get the grant.

So, it is a very painstaking process, and the process of applying is very painstaking. I don't want to cry on my sleeve. We are not crying, because we are grateful for all the support we have had, and we certainly understand the necessity for cuts in this situation. But to put together a major impact arts focus grant for an organization like ours with a budget of over a million-and-a-half is many months of work. We do it gladly, because we have great trust in the fairness of the Council, of its Board and of its staff. I know them very well. I knew Jeff quite well professionally and as a colleague, and after he left the Council my wife and I took him and his wife to dinner, and I think we are going to be good friends. We could not do that while he was a granter and I was a grantee.

SENATOR LIPMAN: Very good.

MR. KOENIG: If you have any further questions about it-- I have seen the process out-of-state, too, in Kentucky. It was not as good. It was okay, but it wasn't as good. It was ragged.

SENATOR LIPMAN: So you think the grant process in New Jersey is quite good.

MR. KOENIG: It's quite good. It is very good, and I think we must protect it. The out-of-state paid peer review panel is particularly important, because they do a rating, and it would be very difficult for an interested party to get a big grant for an organization that got a low rating, or a lower grant for an organization that got a high rating. I think it is a very important protection.

SENATOR LIPMAN: Well, I understand that our peer review panel was reinstated. It was lying around for a while, but it is going to be done the same way this year, except for one thing: The grants again may be delayed, as I understand it now, but we are hoping that they will be earlier than last year. Anyway, we are going to keep our fingers on the pulse.

MR. KOENIG: Good.

MR. MILLS: We very much appreciate this Committee's involvement.

SENATOR LIPMAN: All right. Thank you very much for coming.

Is Mr. Robinson here? (no response) Mr. Edelman? (affirmative response from audience) Mr. Edelman is the Managing Director of the George Street Playhouse.

D A V I D E D E L M A N: Thank you, Senator. My name is Dave Edelman, as you said, Managing Director of the George Street Playhouse. I had prepared comments, but I am going to dispense with them because there have been things raised today that, you know--

I started in this business as an artist, and you know artists do the work of baring their souls. Now I am in management, but I still feel compelled to bare my soul on occasion and talk about things which strike at the heart. There are a few things that have not been mentioned today, and they are what I want to talk about.

I want to give you a little bit about my background first, because I think it is important that you understand that the people in this room from the arts community who have been speaking to you today, are not simply dispassionate outside observers peering into the Byzantine complex of government, mystically wondering how it works. We understand what goes on.

SENATOR LIPMAN: When I walked into the room this morning before 10:00 I saw this great crowd, so I know what you are saying is true.

MR. EDELMAN: I left graduate school at Rutgers in 1981 and immediately, as a volunteer, worked with the then Assistant Executive Director of the State Council on the Arts to set up the Summer Arts Institute. I didn't get paid for that. I helped her to set that program up, and then I taught in the program. I went on to coordinate the New Jersey State

Teen Arts Festival, and did that for a number of years. While I was doing that, I established the New Jersey Young Playwrights' Festival, and not only ran a program, but went into the schools and was teaching playwrighting to students in elementary schools and secondary schools throughout the State.

I was a professional actor, as I mentioned. I also worked, to support myself while I was an actor, doing a lot of interesting jobs, one of which was serving as the scribe for all of the panel meetings of the Council, recording the comments of every single panel and documenting them for the Council. I obtained a very good working knowledge of how these panels work. I also served as an artist in the schools for the Arts in Education Program of the State Council on the Arts, and I taught in Hawkins Elementary School in Newark. I taught a theater program for a year. I know what it is like to teach in an inner-city school that has precious little resources when it comes to the arts, and how valuable the artist can be in a school providing something which cannot be found anywhere else.

I have subsequently served as a panel member for the New Jersey State Council on the Arts, as well as the Mid-Atlantic Council for the Arts, and various other organizations. While I was at Whole Theater as the Associate Producer, I wrote a proposal that resulted in the award of \$5 million to Whole Theater for construction of a new theater under the Capital Projects Program. Unfortunately, Whole Theater is no longer with us. Now I am the Manager of the George Street Playhouse. I am also President of the New Jersey Theater Group, and I serve as a Trustee of Art Pride. So I have been around the block a few times.

SENATOR LIPMAN: You sure have.

MR. EDELMAN: I think I have a pretty good understanding of what is going on. I made a few notes, but I really feel compelled right now to respond to some of the comments I heard mentioned by members of the CWA. Quite

frankly, I am rather angered by some of the things I heard, because I think they are rather gross misstatements of reality.

SENATOR LIPMAN: Well, you have to understand that the CWA has a function, too. They have to protect their members.

MR. EDELMAN: I understand. I happen to be a member of three unions -- Actors Equity, Screen Actors Guild, and AFTRA -- so I understand unions. I have negotiated with unions on both sides, management and labor. But there were some things that were misstated, and I think they need to be set clear.

One of the things that was said was that the positions within the State Council on the Arts are best assumed by other Department career workers. Now, quite frankly, I have to admit that in all of the years that I have been involved in the arts and working with the people at the State Council on the Arts, I have never worked with the woman who was up here. I have no idea who she is -- the woman who said it was a career--

SENATOR LIPMAN: She is the Shop Steward.

MR. EDELMAN: She is the Shop Steward maybe, but, quite frankly, I have dealt with every single professional management person at the State Council on the Arts on a wide variety of levels, whether it is Arts in Education or management or grant making or technical assistance or capital projects or special initiatives, and I have never worked with this woman. I have no idea what she does. She is certainly not one of the professional staff of the Arts Council.

SENATOR LIPMAN: You realize that I asked her if they operate with the Council on the Arts and the answer was in the negative. They only operate with the Department of State, which is, I think, why we are in the present state of confusion. If a union approaches the Secretary of State or any manager with a request that they get rid of some of their employees, then, you know, you take a look at what is happening here. Since they only felt they were responsible to the

Secretary of State, I am not surprised that you have not met her in all of your different jobs with the Council.

MR. EDELMAN: It's rather curious, isn't it? It's very curious indeed.

SENATOR LIPMAN: Yes, it is.

MR. EDELMAN: You know, I think that management's obligation, of course, whether it is management of an arts organization or management in the Department of State or the State Council on the Arts, is not to serve necessarily the needs of the unions unequivocally, but to serve the needs -- and in this case the Arts Council -- of the constituency. And the constituency has spoken. We have spoken very clearly and with one voice of exactly what we want. These special project positions are important to us, because they fill a role that cannot be filled by anyone else.

You do not see anyone in the arts community as members of unions in management positions, except for artists who perform, because that is not the way we function. We in the arts have gotten-- The only reason we have succeeded at all is because we have broken every rule in the books. We do not follow the rules. If we did, we wouldn't be here. There would be no theaters; there would be no dance companies; there would be no symphonies. We don't function that way because we don't have the support we need in order to play by the rules. And, quite frankly-- I mean, I cannot speak for the Council and the way it is set up, but it is a mirror of the arts community. The people who work within the Council have to have a working knowledge of fund-raising, of arts marketing, of capital construction, of board governance, of a myriad of things that we in the arts do. I don't know anyone in Civil Service who could walk into those jobs. Perhaps with a year-and-a-half of on-the-job training, but we can't afford that.

So, it appears that perhaps the Department of State has found ways as best as possible to get the work done to

serve the constituency, and that is the most important thing. I think that has to be clearly stated. We cannot sit around waiting endlessly for the grants to come in that have been awarded to us. But let me talk about that in one second, because there are some issues that haven't come up yet which I want to bring to your attention. I think they are very important.

You know, one of the things that has happened very recently is that the arts community has sort of -- only in the past few weeks -- risen up en masse to express its grave concerns about what has been happening in the Arts Council.

SENATOR LIPMAN: So in a way this controversy has been beneficial?

MR. EDELMAN: Well, it has been beneficial because it has galvanized us. But I have to tell you that one of the reasons why many people did not stand up earlier and say anything when we witnessed over a period of a year this gradual erosion in the operation of the Council, is because many people were afraid to say anything. They were afraid that if they stood up and bucked the administration, they might be singled out for retribution, because we are all beneficiaries of grants from the State Council on the Arts. The only safety we have is in maintaining the independence and autonomy and integrity of the grants process. That protects us, so that when we become a part of the political debate we are not subject to retribution. That can often happen in politics. It happens all the time, we know it.

SENATOR LIPMAN: Yes, we know.

MR. EDELMAN: That's number one. Number two is, we have been sitting very well on an anger which is just beneath the surface with all that has been going on. We have witnessed this perceived dismantlement of the Arts Council, but we haven't been able to understand why. You know, we have been walking around saying, "It ain't broken. Why are you trying to fix it?"

Quite frankly, we have asked and asked and asked for access to the Secretary of State's Office for information, and we have been shut out. Up until very recently, we haven't been provided with information. So we have been walking around wondering what the heck is going on? Why is this happening? We do not understand it. But we see the result, and to us what the result is, is that there has been an attempt to dismantle the State Council on the Arts and to shift its functions into the Department of State.

We all know that that would have meant the end of the grant-making process, and it would have put grant making back into your hands, as it was in the old days, when we went up to you and said, "Please put in a line item for \$50,000 for my theater."

SENATOR LIPMAN: Yeah, I remember those days.

MR. EDELMAN: You remember those days, and you know what the implication of that is. We don't want to go back to that. It is not good for us, and it is not good for you.

SENATOR LIPMAN: I don't want to go back to it either.

MR. EDELMAN: Good, I'm glad to hear that.

SENATOR LIPMAN: Because I didn't always get what I needed.

MR. EDELMAN: Neither did we. Let me tell you that this anger also has to do with what we perceive as some misguided efforts on the part of the administration. A year ago, at our Art Pride Congress, it was presented to us that there would be this new position of a private/public partnership created.

SENATOR LIPMAN: Oh, yes.

MR. EDELMAN: At that time, a number of us in the arts community said to the administration, "What do you think one person in an office in the Department of State can do that the hundreds of professional arts managers and fund-raisers and the thousands of members of our boards of trustees who are out

there beating the bushes for funds-- What can this one person do that we have not been able to do? Their comment was, "Well, we think we can help; that we can do something." They created a position at \$60,000 a year at the expense of other positions at the Arts Council which were terminated and, quite frankly, nothing happened, and the person who was in that position has left.

We were not listened to. We were basically ignored. We understand the arts. We understand the function of the arts, as well as the function of the Arts Council, and never did this administration come to us and try to elicit what our concerns were; what our input was; what our feelings were about the direction the administration should be taking. It was very unilateral. In fact, I think it has been proven that many of the steps the administration has taken have been misguided, including the creation of the private/public partnership position.

We are also dismayed by the fact that at the same time a staff member at the Arts Council -- a person in the position of a grants officer, who has an advanced degree in arts management and public administration -- was terminated, in his place was put a woman who has the same title, with absolutely no experience, no training, no background, nothing to recommend her for this position. What does that sound like to you? We know what it sounds like, and we have been very angry about it.

Through all of this, in our attempts to try to understand what the administration was doing -- because we wanted to give the administration the benefit of the doubt, quite frankly-- We assumed that their intent was honorable and in our best interest. We wanted to think that, but we couldn't get any information.

SENATOR LIPMAN: I don't want to keep interrupting you, but, you know, the legislators here are quite used to having people vent their anger on them. Did you know that?

MR. EDELMAN: Well, as you can see--

SENATOR LIPMAN: We get that a lot, so if you wouldn't be too--

MR. EDELMAN: I am not angry. I don't think you could--

SENATOR LIPMAN: No, I don't mean you. I mean anyone. If you would, you know, say what is bothering you--

MR. EDELMAN: Well, I think I have been saying-- This is exactly what is bothering us.

SENATOR LIPMAN: --to a legislator-- I represent the other side of the coin. We are not the executive; we are not the Cabinet.

MR. EDELMAN: I understand that, but I think it is important that you hear this.

SENATOR LIPMAN: Yes. I think it is important that we hear it, except we hear it in whispers and all that. But you see, I think from what I can understand from today's testimony, the perception of the arts community and, indeed, it may be the perception of the public, is that in making the cuts and streamlining the staff of the Arts Council, and moving some of the fiscal functions-- That meant to many of the people that something crazy was going on; that something to be feared was going on. At that point, you know, you have to open up the box and look at what is happening.

It could be that it is not as scary as people seem to believe. The streamlining is something that Governor Florio and his-- He has spoken to you about his concern for the arts and the amount of money they have; and how much he wants arts education to continue, and so forth. But that still did not keep him from telling his Cabinet officers to cut 8%, cut 35 people here. I think in this confusion, the independence of the Arts Council has gotten sort of shaken up. We want to see you exert this independence once again, so it will be less questionable to corporate donors and to the public and to the arts community that, you know, something strange is going on.

I'm saying I am glad we are having these discussions now that are ongoing. I hope they solve the problem. But in the future, you know, you have to call your local legislators, too, because they will always investigate what is happening.

MR. EDELMAN: Well, Senator, we have been calling our legislators.

SENATOR LIPMAN: That is how Senator Lynch was so informed.

MR. EDELMAN: We have been calling our legislators. I speak to local legislators all the time.

SENATOR LIPMAN: Well, you got something--

MR. EDELMAN: We got something done this time, and we're grateful for that, quite frankly.

SENATOR LIPMAN: Your legislator is Senator Lynch.

MR. EDELMAN: That's right.

SENATOR LIPMAN: Right, that's what I thought.

MR. EDELMAN: That's right, and he is very concerned about this. You know that.

SENATOR LIPMAN: Right, he is.

MR. EDELMAN: And we have been keeping him informed all along.

SENATOR LIPMAN: I think any of them would be. Jim, do you want--

MR. CARROLL: May I ask a question through you, Madam Chairman?

SENATOR LIPMAN: Yes.

MR. CARROLL: You say one employee was dismissed, or released.

MR. EDELMAN: Right.

MR. CARROLL: And was replaced by yet another. Do you know from whence came the reference for the second--

MR. EDELMAN: Well, it came from the Secretary of State's Office.

MR. CARROLL: Through the Secretary of State's Office, okay.

MR. EDELMAN: This person, I understand -- if I am not mistaken -- is currently working in the Arts Council, and demonstrates absolutely no qualifications to be there, quite frankly. That is unconscionable.

Let me say one more thing, one very practical implication of what is going to happen now because of the current delay in the grants process: Last year, because of the changes that were initiated, arts organizations saw a delay in the awarding of their grants by anywhere from 30 days to four months. What this meant was that we had to go out to the institutions to get our bridge loans. This cost us hundreds of thousands of dollars across the State. You are awarding us money, and on the other hand we are having to pay to finance the fact that we can't get it on time because the grants process, and changes within the Arts Council, have been undertaken which have impeded the Council's ability to get the grants to us on a timely basis.

Now, they created a system, and it took them many years to do it, which turned this money around very, very quickly. What we are looking at next year, of course, for Fiscal Year 1992 grants-- We are terrified, because given the financial condition of many of our institutions, we are precariously close to bottoming out. We do not have much ability to go back to the financial institutions in our State and convince them any longer that we are a safe bet for their money, because they see our bottom lines, and they are not good. If we are delayed months longer in the receipt of our funds, this could be devastating; absolutely devastating.

SENATOR LIPMAN: That is a point that is very well-taken. We are going to look to that.

MR. EDELMAN: Thank you very much. I thank you for your indulgence in allowing me to vent some of the frustration that I think the community has been feeling for quite some months now. Thank you.

SENATOR LIPMAN: Very good. I'm glad you came. We were glad to listen to you. That is what this hearing is all about, you know. Incidentally, I didn't feel your anger one bit. It is a situation which demands some quiet levelheaded decisions and -- I don't want to say negotiations, so I will say discussions of how each party here can proceed. I thank you for coming.

I am trying to figure out who we have left here. Is Julie Ellen Prusinowski here?

JULIE ELLEN PRUSINOWSKI: That's me.

SENATOR LIPMAN: All right. You are the Producing Director--

MS. PRUSINOWSKI: Yes, I am the Producing Director of the Foundation Theater at Burlington County College, in Pemberton, New Jersey. I am sorry that my friend Senator Haines had to leave a little early.

SENATOR LIPMAN: Yes, he wanted to hear your testimony, but he left Jim here.

MS. PRUSINOWSKI: It is very brief, and I am sure I will have a chance to speak to him, and he will have a chance to look at it another time.

SENATOR LIPMAN: Yes, do go to see your local legislators.

MS. PRUSINOWSKI: Oh, we do. I just have a very brief statement to read, and then I have a few comments regarding the peer review panel, as you requested.

This summer, the Foundation Theater will celebrate its 17th summer season in Burlington County. In that time, we have grown from one production a year to six; from a small voice to a strong artistic presence in our region. This growth is due, in no small measure, to the New Jersey State Council on the Arts.

When I arrived in New Jersey eight years ago, I was amazed at the vision, the drive, and the commitment of the arts

community. At the forefront stood the Council on the Arts. Their leadership role was instrumental in the development of professional theater in this State. Personally, the attention and the advice of the Council's professional staff have made a difference in the way my theater works, and the comments of the peer review panels have provided insight and direction many, many times.

All of us understand funding cuts and the creative solutions that are needed to work past them. However, the recent downsizing and reorganization of Arts Council operations go beyond any money-saving measure. They cut at the heart of a vital and valuable resource, and tear away the many years of hard work that have made it so.

The integrity of the Arts Council operations must be maintained, including the grants process and those who coordinate and supervise it. To lose funding is difficult; to lose heart is a disaster.

I urge your careful review of the current situation, and hope for your enlightened response.

SENATOR LIPMAN: Yes, that is what we have to keep going here -- our commitment.

MS. PRUSINOWSKI: As to the peer review panel process, I have been a peer review panelist on a smaller scale outside of New Jersey. At one time, I was called to work on a panel reviewing four grants. They were small grants, small dollar amounts, for small organizations. It took two full days of my time; one day in reviewing and reading the grants and all of the material supporting them, and then one full day in panel meetings to discuss simply these four small organizations, in order to give them the kind of-- Frankly, I was overwhelmed with the responsibility, because panelists are called upon to offer their professional judgment and then make recommendations either for funding -- for funding, at what level that funding should be, and if not funding, what kind of assistance, help,

or aid would bring those organizations to a level where they could be funded and sustain that funding.

So, knowing what that is like, and knowing how difficult that is to do, I respect even more the peer panelists who review my grant application, which, by the time I am finished, I take to Trenton in a box, there are so many pieces. And that is just one, and I am a small organization compared to my colleagues such as George Street or Paper Mill. So I understand what goes into that peer review panel process. I can't say enough about its value and its importance, and how difficult it is to maintain the level at which the Arts Council has maintained it. I don't always agree with everything they do. As Laura, I think, said earlier, we all have our own opinions.

SENATOR LIPMAN: If they had enough money--

MS. PRUSINOWSKI: But I support strongly the work they have done, and I absolutely urge you to please maintain that integrity, or do what you can to see that that continues.

SENATOR LIPMAN: Oh, we are going to do that. We can promise you that.

MS. PRUSINOWSKI: I hope so.

SENATOR LIPMAN: Thank you so much. We might call on you again for some expert advice.

MS. PRUSINOWSKI: I would be delighted to talk to you at any time. Thank you, Senator.

SENATOR LIPMAN: All right. You, too, sir.

MR. EDELMAN: Thank you.

SENATOR LIPMAN: Let's see. According to our sheet, we have Ms. Carol Crowley, who is an artist, and Mr. Lance Olson, from Rutgers University. Are either of you here? Is Ms. Crowley here?

UNIDENTIFIED SPEAKER FROM AUDIENCE: Carol Crowley had to serve on another panel project-- (remainder of comment lost to transcriber; no microphone)

SENATOR LIPMAN: Oh, that's too bad. I wish we had known that earlier. But Mr. Olson is here. Mr. Olson? While Mr. Olson is coming up and distributing copies of his testimony, may I ask if there is anyone here we have ignored who would like to speak? (no response)

The testimony of this hearing will be available to the public when?

MR. CAPALBO: Soon.

SENATOR LIPMAN: When is soon?

MR. CAPALBO: Pretty soon.

SENATOR LIPMAN: Can you tell me any closer than that?

MR. CAPALBO: I guess we will try to expedite this.

SENATOR LIPMAN: All right, thank you. Mr. Olson, let's go.

L A N C E O L S O N: Senator, I am Lance Olson. I am the Assistant Dean for Arts Programming at Rutgers' Mason Gross School of the Arts. My operation runs the University concert series which is 75 years old this next year. It runs Rutgers SummerFest. We also support some of the academic programs as another part of our operation. Let me share some statistics with you:

Last summer, I was able to proudly write to you and to a number of other legislators with the fact that Rutgers matched the Department of State's Arts Council grant to SummerFest by over six to one from non-University sources. That is money we spent putting professional arts presentations in front of the public in central New Jersey.

SENATOR LIPMAN: Very good.

MR. OLSON: Now, just to clarify that, the University is not able to spend State money -- any of its State appropriations -- on public service programs. That is part of the legislation, as I understand it. This is money we raised outside of those State resources to match that State money. I

would be happy to provide you with my further analysis of the economic impact, based on the seven to one ratio.

SummerFest certainly did serve the public with that money. Sixty thousand people traveled from 512 zip code areas in 20 different states and purchased tickets, so these were not people who put their names on our mailing list. These are people who came to New Jersey and purchased tickets for that program.

In times like these, in times of stress, it is important that we paint the front door. So Rutgers is renewing its commitment to serving our communities with performances and exhibitions. We believe the arts are important because art enhances the quality of life in our State, gives us tools to understand and live in harmony with one another, to understand our own responses, and to express our own values. Even in times of severe budget pressure, these values can be expressed; the values we all respect that are found in public service, improved quality of life, enhanced understanding, and economic development through tourism.

The Secretary of State is an important spokesperson for these values and their realization through the arts, and the need for continued support flowing to arts institutions. The State relies on quasi-public agencies -- like these arts institutions -- to do the good work it cannot do directly. Arts institutions are part of this public/private partnership, a partnership that needs the support of the Secretary to make it complete.

Returning to my earlier example, the one in that six to one match came from the State. The six came from our private partners, who do, indeed, care greatly that the State shares in the good we are doing.

Let me close with a story about the peer review panel system of awarding grants of public moneys: For several years, our SummerFest committee made programming decisions behind

closed doors with a small group of people. Last year, we opened the doors and invited programming applications on a competitive basis, reviewing written project descriptions as the primary means of making decisions. These were reviewed by a panel of 18 experts in art. Some of them were faculty members; some of them were members of the public. But they all knew a considerable amount about the art and about art communities. We found that these projects were better thought through, better planned, and just plain better art than ever before. Most importantly, the peer review panel system resulted in improved, more accountable public service.

That attendance figure of 60,000 people that we brought to central New Jersey for Rutgers' SummerFest last year from 512 zip codes in 20 states-- That figure increased to 73% from the year before, and that is the result of the peer review panel system.

That closes my prepared remarks, but I would like to react to a couple of things that I heard this afternoon, very briefly. One thing that has not come before you is the extent of the involvement of the public in the panel system and in the grants review system that already exist. This includes a feedback mechanism and an opportunity for agencies that feel their applications were misunderstood, to appeal those decisions made by those panels. Now, I have served on panels of the State Arts Council. Senator Lipman, you may remember six years ago you and I were involved in -- at Newark's Symphony Hall -- the Black History Month celebration.

SENATOR LIPMAN: Yes, right.

MR. OLSON: I go back another five years before that in this State as an Arts Administrator. I have seen an awful lot of these processes occur. I have served on appeals panels, as well as on regular discipline panels. You must know that there are extraordinary lengths -- that we go to extraordinary lengths to try and be fair and be inclusive of all opinions in

awarding those grants. It is an extraordinarily powerful system, and it can accomplish them in a fair way.

The staff of the Arts Council provides professional support to a voluntary council of individuals. These are deeply committed citizens, but not necessarily experts in the arts. They know a lot; they care a lot. But the expertise is provided by those professional staff members. It is those professional staff members who are being released from government service, and that is the concern; that it is deprofessionalization -- more than the loss of staff positions. That is painful.

SENATOR LIPMAN: All right. Well, I appreciate your remarks, especially your thoughts about the peer grant review process.

Do you think your change in the way -- in what you did last summer to bring all those, how many people from 512 zip codes in 20 states-- Do you think the method you used last year was very important? Why didn't you think of that before, or what? Tell me about it.

MR. OLSON: It would be folly to consider the method as driving the increase in attendance, of course. There were many different things driving that change. Oversimplifications are marvelous for making a point, but what the method did to change the program was to open it to new ideas and to involve more people and to make it accountable to more people.

SENATOR LIPMAN: So that is why you say we don't take into consideration the extent of the public participation in those panels?

MR. OLSON: Exactly. The public has an opportunity to have an opinion on art because of the peer panel system. The panels include a number of members. I am hesitating because I know the rules change each year. But they have become increasingly inclusive of broad opinion within the field and

broad opinion within a larger public. That is an important aspect.

The expertise for judging the relative quality and the relative accessibility of art is provided by the combination of the peer panels and the professional staff. And this combination of expertise is what allows the voluntary Arts Council to make informed and clear, strong, positive decisions.

SENATOR LIPMAN: Well, I think then that most of what we have heard this afternoon concludes that the present setup of the peer panel review in New Jersey is accomplishing what we wish it to accomplish. The request is that the staff -- the interaction of the staff, the panels, and the Council members not be interrupted by any undue strain, or whatever. That is the request this afternoon.

But all in all, I would conclude that everyone who has testified this afternoon thinks the peer panel review is a good way to select grantees.

MR. OLSON: I certainly heard the same thing as you did, yes. It was a long day with a lot of wonderful ideas. Generally, yes, you--

SENATOR LIPMAN: Right. Well, the Legislature has been interested for some time, especially this Committee, since this is part of what we do. We have been wondering whether this kind of panel review is viewed by everyone as being fair and impartial and so forth. We would have had, perhaps, without this other controversy, some kind of a hearing on just that, because what does come to us is when somebody gets disappointed -- see? -- in the grant they got, the amount of the grant, and so forth. Now that does get to the Legislature.

But how to improve the procedure is what we want to know about, whether it is satisfactory as it stands. I think we have heard that fact all afternoon; leave it as it stands; it should not be dismantled; it should have enough staff to do what their functions are and to get the grants out on time. Absolutely.

MR. OLSON: The extensive appeals process, I think, may have been -- I was not a party to its conception -- instituted to address exactly the kind of feedback you are expressing--

SENATOR LIPMAN: Right.

MR. OLSON: --because the appeals opportunity is disseminated very widely. Anyone who applies for a grant is informed in writing of their opportunity to appeal the decision of the Council. That is a very public expression of the opportunity, and it-- I'm sorry, I have lost my train of thought.

SENATOR LIPMAN: Well, anyway, you talked about the public's participation.

MR. OLSON: Well, it allows for considerable -- accountability within the process.

SENATOR LIPMAN: Yes, that is the word you want. Well, I thank you for coming and sharing these thoughts with us. I hope you continue to fund seven to one, or eight to one next time what the State Arts Council has to do. Gee, I hope you are able to do that. I wish you much good luck.

With that, if there is no one else who would like to testify, we will bring this hearing to a close. I thank you all for coming. It has been a long time since we had so many people left at a hearing. It has run right up to 5:00 in the afternoon. Thank you. (applause)

(HEARING CONCLUDED)

APPENDIX



State of New Jersey

DEPARTMENT OF LAW AND PUBLIC SAFETY

DIVISION OF LAW

RICHARD J. HUGHES JUSTICE COMPLEX

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July 19, 1990

Honorable Joan Haberle
Secretary of State
315 Kuser Mansion
CN 300
Trenton, NJ 08625

Re: 90-0081: Whether Secretary of State can control
policies and personnel of State Council on
the Arts.

Dear Secretary Haberle:

You asked whether policy and personnel decisions made by the New Jersey State Council on the Arts (the Council) are subject to review and modification by the Secretary of State in her capacity as head of the Department of State. For the following reasons, it is our opinion that under the governing legislation, the Council and its responsible officers possess exclusive authority to make decisions affecting its operations.

The Council, consisting of 17 public members appointed by the Governor with the advice and consent of the Senate together with three nonvoting ex-officio members, is "established in" the Department of State. N.J.S.A. 52:16A-25. One of the three nonvoting ex-officio members is the Secretary of State, or her designee, who serves during the Secretary's term of office. N.J.S.A. 52:16A-25b(1). The primary function of the Council is to promote the performing and creative arts in the State. N.J.S.A. 52:16A-26.

The Council is required to elect a chairman and vice-chairman annually from among its members. The chairman is designated as chief executive officer of the Council and presides at all meetings. The Council is also authorized to employ an executive director "and such other personnel as may be necessary to accomplish its objectives within the limit of funds available therefor." The executive director serves as the Council's secretary and is required to "carry out the policies of the council under the direction of the chairman." N.J.S.A. 52:16A-27(a) and (b).

IX

The Council is authorized to perform various functions which typically appear in legislation creating quasi-independent State agencies. Specifically, the Council may enter into contracts in furtherance of its programs, may accept gifts, grants and bequests of funds, may hold public and private hearings, and may require State agencies to provide "such assistance, information, and advice" as the Council deems necessary. It also makes an annual report to the Governor and the Legislature concerning matters within its jurisdiction. N.J.S.A. 52:16A-27(d) and (e). Moreover, the Council is designated as "the official agency of this State" for receipt and disbursement of funds provided to the State by the National Endowment for the Arts. N.J.S.A. 52:16A-28.

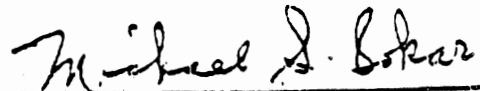
The clear intent and effect of these provisions is to constitute the Council as a quasi-independent State agency which is empowered to formulate policies for promotion of the arts and to carry out these policies through the chairman, the executive director and such other personnel as it deems necessary. There is nothing in the relevant statutory provisions to suggest that the Council's policy and personnel decisions are subject to review and control by the Secretary of State as head of the Department of which the Council is a part. To the contrary, section 52:16A-25b states only that the Secretary is designated as one of three nonvoting ex-officio members. Nothing in the language or legislative history of the act indicates an intent to grant the Secretary a larger role in the Council's decisionmaking processes than the limited role specified by this provision. It follows that the Secretary's influence over policy and personnel decisions of the Council is limited to her participation as a nonvoting ex-officio member, in addition to her persuasive powers as an important official of State government.

For these reasons, it is our opinion--that policy and personnel decisions of the State Council on the Arts fall within the exclusive province of the Council itself and are not subject to review and modification by the Secretary of State.

Very truly yours,

ROBERT J. DEL TUFO
Attorney General of New Jersey

By:



Michael S. Bokar
Senior Deputy Attorney General

MSB:cc



STATE OF NEW JERSEY
DEPARTMENT OF LAW AND PUBLIC SAFETY

ROBERT J. DEL TUFO
ATTORNEY GENERAL

March 12, 1991

Hon. Joan Haberle
Secretary of State
315 Kuser Mansion
CN 300
Trenton, New Jersey 08625

Elizabeth G. Christopherson, Chair
State Council on the Arts
4 North Broad Street
CN 306
Trenton, New Jersey 08625

Re: Arts Council Personnel Appointments.

Dear Secretary Haberle and Chairwoman Christopherson:

You have each separately asked this office to inquire into the facts and circumstances surrounding the termination by Secretary Haberle of three persons who were performing services for the State Council on the Arts. After carefully reviewing this matter, I am satisfied that Secretary Haberle acted within her authority and in good faith, that the three persons can be re-hired by the Arts Council if it so desires and that Secretary Haberle stands ready to actively assist the Council in identifying available funding sources or taking other steps necessary to achieve this result.

The facts pertinent to this matter may be succinctly stated. David Miller, who served as an assistant to the Executive Director of the Arts Council, was appointed on April 9, 1984 by then Secretary of State Jane Burgio. Mr. Miller was appointed as a Confidential Secretary to the Secretary of State in the unclassified service pursuant to the provisions of N.J.S.A. 11:4-4(m) ((since repealed), now codified at N.J.S.A. 11A:3-4(h)), and was thereafter assigned by Secretary Burgio to the Arts Council to accommodate its personnel and administrative needs. Mr. Miller's salary was paid out of funds available to the Arts Council. Terry Marshall was hired by Secretary Burgio on November 16, 1987 as a Project Specialist to process grants awarded by the Council; her salary was paid by the Arts Council. Similarly, Kathi Levin was hired by Secretary Burgio on January 27, 1986 as a Project Specialist to process grants for the Council. Her salary was paid out of monies available to the Arts Council.

Each of the three above-named individuals was appointed by the then Secretary of State to perform duties for the Arts Council, with their salaries paid by the Council. In each instance, the Arts Council never took any separate action to hire these individuals under its own authority, or to otherwise modify or repudiate the hiring decisions taken by the Secretary of State. All of the appointments were processed by the administrative section of the Secretary of State's Office consistent with the longstanding practice of sharing administrative resources between the Arts Council and the Secretary of State. Against this backdrop, Secretary Haberle moved here to terminate the affected individuals because of budgetary constraints and other administrative obligations.

For the reasons set forth below, while the use of employment authority by the Department of State to employ personnel who serve the Arts Council has clouded the issue, all of the affected employees were hired by the Secretary of State, and were, therefore, terminable by the Secretary as the appointing authority. Although the Arts Council has statutory authority to hire employees directly, the Council has, up to the present, declined to exercise that power and deferred to the authority of the Secretary of State. It was therefore permissible for Secretary Haberle to take personnel actions related to individuals who performed work for and were paid by the Arts Council but who were hired by the Secretary.

The mixed personnel and administrative history regarding the Secretary of State's Office and the Arts Council, while muddying the understandings of the parties, is consistent with established principles sanctioning the sharing of administrative authority in the personnel area, especially for "in but not of" State agencies such as the Arts Council, and should not obscure the Secretary's authority to act here. In addition, it is an ordinary practice to vest the appointment and removal authority in one set of public officials while assigning the fiscal responsibility for the hired individual to another governmental entity. For example, although judges of the Superior Court are considered State officers and are appointed by the Governor, N.J. Const. (1947), Art. VI, §VI, ¶4, the initial responsibility to pay their salaries is vested in county government. N.J.S.A. 2A:2-1.3. Similarly, while a county Superintendent of Elections is appointed and subject to removal by State officials, the Superintendent's salary, as well as the administrative expenses of that office, are required by law to be borne by the county. Keenan v. Bd. of Freeholders of Essex Cty., 101 N.J. Super. 495 (Law Div. 1968), aff'd 106 N.J. Super. 312 (App. Div. 1969). The fact that the county bears the salary expense in those cases does not empower the county to remove those officials

which remains vested in State officials. The power to appoint or hire an individual, absent some other statutory arrangement, would perforce embrace the authority to terminate the individual. Once it is determined that a particular government official is empowered to act (as here the power of appointment), it is well-accepted that that authority continues and is vested in the public official's successor. See N.J. Court Rules, R. 4:34-4 (substitution of successor in office); Fed. R. Civ. P., R. 25(d) (automatic substitution of successor public official).

In this matter Secretary Haberle's predecessor made the initial appointments. The Arts Council never sought to exercise its own statutory authority to hire the affected individuals or, to our knowledge, any other employees. Despite the fact that the employees at issue were funded out of Arts Council monies, Secretary Haberle, in exercising a judgment to terminate the three individuals in response to budget and other administrative concerns, acted in an historical, symbiotic environment which had sanctioned a longstanding acquiescence by the Arts Council to the personnel decisions of the Secretary of State. See Malone v. Fender, 80 N.J. 129, 137 (1979) (due deference must be accorded to time-honored agency practices). Accordingly, it must be concluded that Secretary Haberle acted reasonably and in good faith in taking the personnel actions which are the focus of this inquiry.

On the other hand, it is equally clear that the Arts Council has been statutorily vested with independent authority to employ an executive director "and such other personnel as may be necessary to accomplish its objectives within the limits of funds available therefor." N.J.S.A. 52:16A-27(a).^{*} Accordingly, in the event that the Arts Council wishes to employ personnel directly, and within its budgetary limits and other applicable personnel laws, it is empowered to do so. In this regard, Secretary Haberle has reiterated her willingness to assist the Council, as she and her office have done in the past, in the processing of all of the necessary administrative tasks appurtenant to the appointment process. See N.J.S.A. 52:16A-27(d) (the Council may request the assistance of any State department or agency to help it carry out its duties.). The Secretary has also strongly indicated her desire to help the Council in identifying appropriate funding sources

^{*}In Attorney General Opinion No. 90-0081, dated July 19, 1990, this office concluded that the Secretary of State did not have the authority to review or modify personnel decisions which "fall within the exclusive province of the Council." *Id.* at p. 2. That opinion, however, is dependent upon a factual predicate which presumes that the Arts Council made the initial appointments.

Hon. Joan Haberle
Elizabeth G. Christopherson

March 12, 1991
Page 4

which the Council can utilize to supplement its present resources.

In sum, Secretary Haberle, in nullifying prior employment decisions of her predecessor, acted reasonably and within the authority conferred upon her by past practice and law. However, the Arts Council is free to exercise affirmatively and independently the appointing authority conferred on it by statute.

Very truly yours,



ROBERT J. DEL TUFO
Attorney General

To: Senator Lipman and the members of the Senate State Government Committee

From: Sharon Harrington, Member, New Jersey State Council on the Arts

March 21, 1991

Madam Chairman and members of the Committee, I want to thank you for inviting me here today to discuss my experience as a member of the New Jersey State Council on the Arts (NJSCA). I considered it to be an honor and a privilege to serve as Governor Florio's first appointment to this board, as I believe Elizabeth Christopherson and Celeste Penny must have when then Governor Kean selected them.

The day I was sworn in, just about one year ago, was the same day Governor Florio appeared at the first Arts Council meeting to be held after he took office. He had two messages that day: that the arts in all forms are a critical ingredient of New Jersey's fabric, and that, unfortunately, we would have to use our resourcefulness and creativity more than might have been anticipated. We like all of government were being asked to do more with less. The flush days were over due to an unanticipated and unprecedented budget problem which he inherited.

The arts community met that challenge, exercising patience, understanding, cooperation and resourcefulness, and performed virtual magic. These efforts were truly a favor to the Arts Council, and a credit to the entire arts community in New Jersey.

Like the many times they've taken the lead and served as a national model, our arts organizations can be a role model to organizations in surrounding states now challenged with reduced budgets.

This first year of my term has been an exciting learning experience; I have been supported by my more senior colleagues who have given of their time and knowledge generously. There is a great deal more to learn, but I have participated in a cultural bond hearing cycle, a grants cycle and a year of working with a knowledgeable, supportive and most professional staff. They are truly a credit to New Jersey.

We have worked together during the past few difficult months to forge a new working relationship. One that relies on the cooperation of the Council with the staff, and which will maintain the professionalism which has been in place for many years. There has been acknowledged here this morning various understandings of relationships between the Council, and our Department -- I assure you for my part, I intend to work cooperatively and to take advantage of the help Secretary Haberle has offered.

Recent controversies have forced us to examine past procedures, evaluate our involvement and assess the responsibility we as Council members assume. After a difficult period of time, areas of responsibility have been defined. Secretary Haberle asked General Del Tufo to review our respective roles, and we are moving forward with every intention of making the partnership between State Government and the Arts Community work.

I have been asked to serve as Chairman of the Grants Committee, and as Co-Chairman of the Search Committee. I do both enthusiastically. However, I want to point out -- and you, Senators, who serve the public, know and appreciate the time involved in doing this job well -- my colleagues at the Arts Council devote a great deal of time and energy to serving on this Board. It consumes many hours beyond Council meetings. This dedicated and committed group each serves on a couple of NJSCA Committees as well as devoting significant time attending performances and exhibits, thus bringing a personal understanding to the objective review process.

We realize the responsibility and privilege of serving our State and want to hear your guidance in doing it well. Thank you.

Testimony - Jane Burgio, former Secretary of State of the State
of New Jersey

Madam Chair, members of the committee:

I appreciate the opportunity to appear before you, my former colleagues, and I appreciate your interest in the New Jersey art scene.

Since my retirement, I have remained active in the arts community. I did not plan to take an up-front part in this issue under discussion today. However, since I have been included and mentioned by name in the recent opinion from the Attorney General, I feel it is important to clarify a couple of points in this document.

Number 1 - on page 2, 3rd paragraph, the Arts Council is referred to as an "in but not of" state agency. This is incorrect. The Arts Council is an integral part of the Department of State with separate responsibilities allocated the Arts Council trustees as spelled out in the enabling legislation.

The second point is even more relevant to the topic of today's hearing. This opinion states, on pages 1, 2 and 3, that the three individuals whose dismissal has been questioned were appointed by me, the former Secretary of State. This is not true. All I did was handle the paperwork required for these individuals to start working. I did not seek out, recommend or interview for any position on the Arts Council staff. This was done by the executive director. He was appointed by the Arts Council board as required by law.

As Secretary of State, with the Arts Council as a quasi-autonomous division within the Department of State, I believed my role to be that of a custodian of the public trust. The board members established policy and appointed director and staff to

carry out such policies. My role and that of my immediate staff was to assure that this agency was able to fulfill its many responsibilities in a thorough and efficient manner.

An Attorney General's decision dated July 17, 1990 expresses it well. On page 2, 2nd paragraph, I quote, "It follows that the Secretary's influence over policy and personnel decisions of the Council is limited to her participation as a non-voting ex-officio member, in addition to her persuasive powers as an important official of State government," end of quote.

I never hired or fired staff. I never interfered in the grants process. I saw the role of my office as an umbrella unit, a trouble shooter and expeditor, to deal with other departments involved in our mission within State government.

I feel strongly that the relationship of the Secretary of State, developed over the last 25 years be continued. Only then can we be assured that the citizens of New Jersey receive the opportunities and advantages that a professional arts council staff can provide.

I would be happy to answer any questions.

JB/ses/319

Testimony of Horacee Arnold/Thursday, March 21, 1991

For a number of years I have had the privilege of working with the Council's Artist in Residence Program, as well as with the Artist-Teacher Institute. I am a jazz musician, composer and teacher.

Education is the number one national priority. The Arts Council has been in the vanguard of supporting and developing creative programs for students and teachers alike. In New Jersey, Arts in Education Residencies annually serve 24,000 school children. Over its 15 year history, the Artist Teacher Institute has served more than 1,200 teachers and won national acclaim for its unique approach to teacher training and renewal. A copy of last year's flyer is attached to give you an insight into the program.

I have two concerns with the recent year of turmoil and tension at the Arts Council.

Number One: It is absolutely essential, for the programs of which I speak, to have staff with credentials as artists and as teachers. I am unnerved by reports of decreasing staff and a sort of musical chairs shuffling which takes qualified arts personnel away from the council and creates a training drain on the remaining staff. Were the system to grind to a halt, the NEA funds which support these programs would cease to flow,

and the children and teachers of New Jersey would suffer a tremendous loss.

Number Two: It is also essential for paperwork, contracts, invoices, grant awards and the like to move swiftly and efficiently. You can appreciate the fact that artists are not always rolling in cash and need to be paid promptly. As the Council staff decreases, the layers of bureaucracy expand, and the burden of this sort of paperwork falls increasingly on the shoulders of professionals or volunteers, procedural efficiency deteriorates. The artists suffer serious consequences.

I am a believer in the Council's dynamic leadership in Arts Education. I urge you to create a working structure within which the Arts Council is free to continue making its outstanding contributions to the students and teachers of New Jersey.

Government
TESTIMONY FOR THE SENATE STATE ~~GRANT~~
AND FEDERAL AND INTERSTATE RELATIONS COMMITTEE
March 21, 1991

Re: Consequence of Delays in the Grants Process
of the New Jersey State Council on the Arts

Current difficulties between the Secretary of State's office and the State Council on the Arts, if not speedily resolved, have the potential to seriously hamper the productivity of a large segment of the economy--those benefiting directly and indirectly from government support of the arts. By "those benefiting" I mean not only the arts organizations receiving Council funds, but the many businesses which supply the arts groups, and the many more in the travel and restaurant industry which depend on arts activity for a substantial part of their income.

This group was already seriously wounded last year, when the deep cut to the Council's grants funds had the effect of delaying decisions on Fiscal Year 1991 grants. The problems occasioned by last year's cut were not only financial. For some groups, particularly those served through the State/County Partnership program (also known as County Block Grants), the delay itself was a serious problem.

Last year the State/County Partnership granted \$970,000 to county-designated agencies, most of the funds to be distributed to local arts and community groups bringing the arts to the people of their towns. For example, Union County received \$73,000, of which \$61,000 is being distributed to 41 organizations, and directly benefits over a quarter million people, including close to a thousand artists. While this was a

substantial reduction from the \$120,000, with \$100,000 for local regrants, received the previous year, the arts groups faced an additional set of problems because of the delay.

Normally the Council makes its announcement toward the end of July each year. Immediately following that announcement, the county agencies have to determine the actual amounts of the re-grants to be awarded locally, and request revised budgets from the organizations, which in almost every case will receive less than they originally applied for. Last year's announcement came two months later than usual, in September, after the season had already started. Groups funded directly by the Council were already at the beginning of their seasons before they knew how much they would have from the Council. Local groups, funded through the State/County Partnership, were even worse off, having to wait for the county agencies to once again review their requests and determine dollar amounts.

In Union County the cut was so substantial that some groups which we had anticipated funding were not funded. The decision was so late that they did not know they would receive no funding until about the beginning of October, well into their activity for the year. Other counties had similar problems.

The Arts Council staff did a herculean job, getting contracts out within two weeks of the announcement. Even so, the delay in the announcement meant that all the work needed at the county level was delayed six to eight weeks beyond the normal schedule. Consequently, among ten counties polled by phone yesterday, only six were able to get checks out to grantees

before the end of December. Almost half the counties contacted were not able to send the initial payments to their regrantees until after the first of the year.

So, in addition to not knowing how much funding they would receive, if any, until almost two months later than usual, the local arts groups received their initial payments a good deal later than usual. It's as if parents were told in August that they would not know how much money they'd have for the school year until after school started, and then didn't receive a substantial part of it until the New Year. The kids go to school in September, but maybe they go to school barefoot. And what about next year.

There were drastic staff cuts at the State Council on the Arts last year, and recently more Council staff were cut, then reinstated. The arts community is understandably nervous.

At the county level we have urged arts groups to plan ahead. Generally we require our applicants to tell us in January or February what they will do the following September through June. But how can they plan ahead in this environment?

At the counties we do not have enough information to comment on the current dispute between the Secretary of State and the Council on the Arts. But we do know that the grants process for the coming year has already been impaired by that dispute, and that the arts community that we serve will be badly hurt if we allow this problem to continue, resulting in another year of delays in the grants process. The counties make access to the arts happen, by funding and giving technical assistance to the

"little guys" who provide access to the arts for many of our less-well-off citizens, our handicapped, minority, and senior citizens. If you truly believe in all of our citizens having access to the arts, you must do what you can to resolve this crisis now, before further damage is done to the grants process of the New Jersey State Council on the Arts.

William J. Higginson
Administrator
Union County
Office of Cultural and Heritage Affairs

NEW JERSEY DEPARTMENT OF CIVIL SERVICE
DIVISION OF CLASSIFICATION AND COMPENSATION

suppl #1
as
amended

April 6, 1973

SALARY ADMINISTRATION MEMORANDUM #45-73

SUPPLEMENT #1

The Civil Service Commission at its meeting of April 5, 1973, approved the following changes in the Compensation Plan, June 24, 1972, effective April 14, 1973.

The following titles provide classifications for positions where all of the following criteria are met:

- (a) a full-time position is needed for a project that is totally funded by Federal or other grant monies;
- (b) the project has a clearly defined objective and anticipated duration;
- (c) it is otherwise not feasible to use a competitive title.

Such positions and appointments thereto may be approved for one year or less. Renewal or extension may be granted on the basis of justification acceptable to the Department of Civil Service.

These titles provide for and distinguish between the position that involves project development, management, implementation or evaluation and the position that involves technical or clerical support. The salary rates will be determined as provided by regulation.

GENERAL

ADDITION OF TITLES:

N98	60005	U	PROJECT SPECIALIST (R.S. 11:4-4(u) and R.S. 11:7-12)	NL
N98	60004	U	PROJECT SUPPORT SPECIALIST (R.S. 11:4-4(u) and R.S. 11:7-12)	NL

NOTE: These titles shall not be used as substitutes for the title of Consultant or for Consultant Services.

NEW JERSEY DEPARTMENT OF CIVIL SERVICE
DIVISION OF CLASSIFICATION AND COMPENSATION

(see #45-75 Suppl. #1
as Amended)
April 18, 1974

AMENDMENT TO SALARY ADMINISTRATION MEMORANDUM #45-73

SUPPLEMENT #1

The Civil Service Commission at its meeting of April 16, 1974, approved the following amendment for the use of the titles, Project Specialist and Project Support Specialist:

- (a) Delete: "totally Federally funded", Substitute:
"regardless of source of funding."

(These titles may be used to classify positions on interim basis where no appropriate titles exist. Each such action would be approved pending establishment of an appropriate title for a period not exceeding six months.)

Note: CS44 Forms should accompany CS21 Forms requesting establishment of positions with these titles.



filed

U5

STATE OF NEW JERSEY
DEPARTMENT OF PERSONNEL
ANDREW WEBER, COMMISSIONER
CN 317
TRENTON, NJ 08625

TO: All Appointing Authorities
FROM: Andrew Weber, Commissioner
Department of Personnel *AW*
DATE: July 26, 1990
SUBJECT: Project Specialist Positions

A study has been completed reviewing current practices involving the establishment and extension of Project Specialist and Project Support Specialist positions. Our findings revealed that a re-defining of standards, policy, and procedures is necessary to insure the most prudent use of these titles.

Therefore, effective immediately, all requests to establish or extend Project Specialist and Project Support Specialist positions will be subject to the following standards and procedures. For the sake of brevity, the term Project Specialist, as used here, refers to both Project Specialists and Project Support Specialists.

STANDARDS

All requests to establish Project Specialist positions must meet ALL of the following criteria:

- (a) a full time position is needed for a project that is totally funded by grant monies or other specifically identified funds; and
- (b) the project has a clearly defined objective and anticipated duration of one year or less; and
- (c) it is otherwise not feasible to use another existing title.

PROCEDURES

A. New Appointments/New Position Requests/Reclassifications

All requests for new appointments to existing Project Specialist positions, new Project Specialist positions or the reclassification of an existing position to a Project Specialist title will be submitted to the Office of the Commissioner, Department of Personnel (CN 317) with DPF-10 and supporting documentation.

Requests will be submitted via DPF-44A (Position Action Request) with attachments, including but not limited to:

1. DPF-44 (Position Classification Questionnaire) describing in detail the nature of the position.
2. Statement of justification for use of the Project Specialist title explaining why it is necessary and how it meets established criteria. It must also explain why it is not feasible to use a Temporary Appointment to an existing Career Service or Unclassified title.
3. Table of Organization showing the relative location of the Project Specialist position within the unit.
4. A completed form DPF-10 with a copy of the prospective employee's resume attached and an analysis of how the recommended salary was determined.

If the request is approved, the Appointing Authority will be notified.

B. Extension of Project Specialist Positions

All requests to extend the appointment of a Project Specialist must be received by the Office of the Commissioner, Department of Personnel (CN 317), Trenton, New Jersey 08625, at least 15 days prior to the expiration date. If a request to extend the Project Specialist is not received within the time limit, the appointment will be terminated.

The request for extension shall be submitted on a DPF-44A and include a copy of all documentation previously submitted for creation/extension of the position including copies of all approvals by the Office of Personnel Management.

No DPF-10 need accompany the request for extension.

CONTINUING SURVEY OF PROJECT SPECIALIST POSITIONS

I have directed staff to begin a survey of existing Project Specialist positions to determine if continuing allocation of the Project Specialist title to specific positions remains appropriate. If as a result of this survey, other titles are found to be more appropriate, you will be provided with notification prior to reclassification of the position. In connection with this survey, I urge you to review your current Project Specialist compliment and recommend reclassifications where warranted.

Your continued support in these efforts is appreciated.

AW/DLP/RFB

NEW JERSEY DEPARTMENT OF PERSONNEL

OFFICE OF PERSONNEL MANAGEMENT SYSTEMS

PROGRAM COORDINATOR, COUNCIL ON THE ARTS

DEFINITION

Under the direction of the Executive Director, Council on the Arts, Department of State, is responsible for conducting, researching and developing innovative programs in the Arts; does related work as required.

EXAMPLES OF WORK

Plans, coordinates, and develops art projects which the Council on the Arts deems of special interest to the State of New Jersey.

Schedules and administers conferences among artists, art educators, and art organizations both visual and performing.

Conducts or administers surveys within the State, as necessary to ascertain the needs of the arts on all levels of government.

Prepares statistical data and reports relating to surveys conducted.

Prepares clear, technically sound and comprehensive statistical, financial, budget, progress, and other reports.

Conducts special research studies for the Executive Director.

Collects data for and assists in the preparation of budgets and budget requests.

Serves as liaison between the Executive Director and any agency artist, art educator, and art organization, both visual and performing.

As may be required, represents the Executive Director at meetings, lectures or conferences and prepares reports thereon.

Serves as liaison for the Executive Director in Bicentennial planning.

Plans and coordinates all types of programs whether funded through Government or matching funds.

Prepares detailed and/or technical correspondence for the Executive Director.

Maintains essential records and files.

May be required to learn to utilize various types of electronic and/or manual recording and information systems used by the agency, office or related units.

PROGRAM COORDINATOR, COUNCIL ON THE ARTS

-3-

Ability to read, write, speak, understand, or communicate in English sufficiently to perform the duties of this position. American Sign Language or braille may also be considered as acceptable forms of communication.

Persons with mental or physical disabilities are eligible as long as they can perform the essential functions of the job after reasonable accommodation is made to their known limitations. If the accommodation cannot be made because it would cause the employer undue hardship, such persons may not be eligible.

Code: P20-58002B

CAC

9-13-88

NEW JERSEY DEPARTMENT OF PERSONNEL

DIVISION OF CLASSIFICATION AND COMPENSATION

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (VISUAL ARTS)

DEFINITION

Under the direction of the executive director, Council on the Arts, Department of State, is responsible for conducting, researching, and developing innovative programs in the visual arts; does related work as required.

EXAMPLES OF WORK

Implements guidelines and procedures for Arts Inclusion Bill, PL 1978 CH 117, allocating up to 1 1/2 % of State appropriations for works of art in new State buildings.

Assists in consultative and evaluative activities for the Program.

Coordinates activities of artists, architects, contracting agencies, advisory panels, New Jersey State Council on the Arts and other State agencies involved in the Arts Inclusion Program.

Organizes and maintains an up-to-date registry of New Jersey artists.

Coordinates arrangements for meetings, conferences, juries and panels.

Takes the lead work of personnel assigned to handle all clerical and secretarial aspects of the program.

Prepares publications and other materials relating to Visual Arts Programs.

Prepares detailed and/or technical correspondence and necessary reports.

Maintains essential records and files.

Encourages inclusion of visual arts in New Jersey corporations through promotion of Visual Arts Registry.

Solicits and prepares proposals for increased funding for visual arts programs and visual artists.

Provides information and technical assistance to visual arts organizations and artists.

Increases visibility for NJSCA as a public art facilitation.

Organizes biennial exhibition of visual arts fellowship recipients.

Supports and participates in educational programs for the visual arts.

Maintains archival documentation of commissioned or purchased artworks.

PROGRAM COORDINATOR, COUNCIL ON THE ARTS
VISUAL ARTS

-2-

May be required to learn to utilize various types of electronic and/or manual recording and information systems used by the agency, office or related units.

REQUIREMENTS

Education

Graduation from an accredited college with a Bachelor's degree.

Experience

Two years of professional experience in cultural administration or a particular art field which shall have involved visual arts.

Applicants who do not possess the required education may substitute additional experience as indicated on a year for year basis.

License

Appointee will be required to possess a driver's license valid in New Jersey only if the operation of a vehicle, rather than employee mobility, is necessary to perform the essential duties of the position.

Knowledges and Abilities

Wide knowledge of management and organizational skills necessary for the adequate operation of the visual arts program.

Ability to communicate in both oral and written form with a wide range of community, government, and corporate organizations as well as individual artists.

Considerable knowledge and understanding of aesthetic issues and history particularly in the areas of art and architecture.

Considerable knowledge of management skills and awareness of the fundamentals of public accountability.

Ability to develop plans essential for program growth.

Ability to learn and utilize various types of electronic and/or manual recording and information systems used by the agency, office or related units.

Ability to read, write, speak, understand, or communicate in English sufficiently to perform the duties of this position. American Sign Language or braille may also be considered as acceptable forms of communication.

Persons with mental or physical disabilities are eligible as long as they can perform the essential functions of the job after reasonable accommodation is made to their known limitations. If the accommodation cannot be made because it would cause the employer undue hardship, such persons may not be eligible.

Code: P20-58002

WPC-P-JW

12-8-87

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NEW JERSEY DEPARTMENT OF CIVIL SERVICE

DIVISION OF CLASSIFICATION AND COMPENSATION

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (CRAFTS)

DEFINITION

Under the direction of the Executive Director, Council on the Arts, Department of State, is responsible for developing lines of communication and programs which utilize and enhance the life of persons involved in the creation, use and appreciation of crafts within the State; does related work as required.

EXAMPLES OF WORK

Serves as liaison to craftspersons and those involved in exhibiting and marketing such items.

Designs, coordinates and provides such aids as are necessary to develop workshops and other events which educate craftspersons in marketing techniques, advertising methods and other subject matters which are relevant to public appreciation of crafts as a unique field of endeavor.

Develops and maintains an up-to-date listing of craft galleries; suppliers and other craft-related activities and workshops.

Develops pamphlets, brochures, radio spots and other media-related elements which are necessary to provide information to the public pertaining to the availability, appreciation and understanding of craft work by New Jerseyans.

Develops educational programs which are designed to enhance the prestige of people involved in the making of crafts and to provide opportunities for aspiring students to experience settings which are conducive to fine craft work.

Participates in workshop seminars, conventions, which are conducive to the development of appreciation for the work produced by crafts people.

Writes grant proposals designed to secure monies and/or services to continue the crafts program; assists individuals and organizations in the development and writing of such proposals where necessary.

REQUIREMENTS

Education

Graduation from an accredited college with a Bachelor's degree.

Experience

Two years of professional experience in crafts work which shall have included the staging of exhibitions for crafts and/or the development of advertising programs for such articles.

Applicants who do not possess the required education may substitute experience as indicated above on a year for year basis.

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (CRAFTS)

-2-

License

Appointee will be required to possess a driver's license valid in New Jersey only if the operation of a vehicle, rather than employee mobility, is necessary to perform the essential duties of the position.

Knowledges and Abilities

Considerable knowledge of crafts in terms of their availability and value.

Considerable knowledge of the process involved in conceptualizing and creating craft items.

Wide knowledge of craft galleries, suppliers, craft workshops and other organizations and activities which are related to the craft industry.

Basic knowledge of the development of advertising and marketing techniques specifically as these pertain to the craft project.

Wide knowledge of the process and techniques which are used in developing and implementing of workshops, seminars and conventions.

Ability to understand the work of and communicate with persons who are involved in the creation of crafts.

Ability to maintain an up-to-date listing of craft galleries, suppliers and other craft related activities and workshops.

Ability to develop pamphlets, brochures, radio spots and other related items which will provide information to the public regarding the craft component.

Ability to develop educational programs to enhance the prestige of craftspersons.

Ability to read, write, speak, understand, or communicate in English sufficiently to perform the duties of this position. American Sign Language or braille may also be considered as acceptable forms of communication.

Persons with mental or physical disabilities are eligible as long as they can perform the essential functions of the job after reasonable accommodation is made to their known limitations. If the accommodation cannot be made because it would cause the employer undue hardship, such persons may not be eligible.

Range: \$14,781.90-\$19,958.68

Code: A20-58002B 12-15-80 WPC

NEW JERSEY DEPARTMENT OF CIVIL SERVICE

DIVISION OF CLASSIFICATION AND COMPENSATION

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (URBAN ARTS)

DEFINITION

Under the direction of the Executive Director, Council on the Arts, Department of State, is responsible for the development, conduct, and supervision of arts programs which are implemented primarily in urban settings; does related work as required.

EXAMPLES OF WORK

Initiates and develops major minority arts programs within urban settings using the various arts disciplines such as dance, theater, exhibitions, etc., which are indicative of the talent of the minority community within the State.

Conducts on-site visits to and provides assistance for minority and other urban arts organizations which are seeking grants or other assistance from the New Jersey State Council on the Arts.

Conducts evaluations of programs funded under the urban arts category and makes recommendations to panels and others who may be evaluating the worthiness of grant and other requests.

Develops and implements individualized supportive services which are designed to broaden and strengthen the management skills and techniques of urban arts organizations.

Develops and maintains a registry of individual minority artists and arts organizations engaged in professional work within the State.

Conducts surveys as necessary to determine the impact of the Urban Arts Program on the cultural life of the State and to determine, from a cultural perspective, the needs of urban and minority constituents within New Jersey.

Serves as liaison of the New Jersey State Council on the Arts to minority arts organizations which are under the purview of the Urban Arts Program.

Drafts grant proposals and other materials which are necessary for the continued funding and vitality of the program.

REQUIREMENTS

Education

Graduation from an accredited college with a Bachelor's degree.

Experience

Two years of professional experience in cultural administration or in a particular arts field which shall have involved minority and urban artists and/or programs.

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (URBAN ARTS)

-2-

Applicants who do not possess the required education may substitute experience as indicated above on a year for year basis.

License

Appointee will be required to possess a driver's license valid in New Jersey only if the operation of a vehicle, rather than employee mobility, is necessary to perform the essential duties of the position.

Knowledges and Abilities

Considerable knowledge of the contributions which minority groups have made within the various art forms.

Considerable knowledge of the history of the various ethnic and racial minorities sufficient to allow one to deal on a day-to-day basis with members of these groups.

Wide knowledge of the techniques and methodologies used in determining financial techniques and management support needs of arts organizations.

Wide knowledge of management skills which are necessary for the adequate operation of arts organizations, especially those which exist in urban settings.

Wide knowledge of the process and techniques used to determine community needs for the arts with sufficient specificity to extrapolate data which is related to urban and minority constituents.

Considerable knowledge of the grant proposal and grant administration process as pertains to funding from both governmental and private sources.

Ability to organize and oversee the performance of arts programs in an urban setting which may involve a variety of arts disciplines.

Ability to conduct evaluations of the needs and programs of organizations participating in the Urban Arts Program.

Ability to assist urban arts organizations in the development and implementation of Management Training Programs.

Ability to develop and maintain a registry of minority artists and arts organizations.

Ability to become familiar with the program of the New Jersey State Council on the Arts and convey this information to arts organizations.

Ability to draft grant proposals and other material which are necessary for the continued operation of the program.

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (URBAN ARTS)

-3-

Ability to read, write, speak, understand, or communicate in English sufficiently to perform the duties of this position. American Sign Language or braille may also be considered as acceptable forms of communication.

Persons with mental or physical disabilities are eligible as long as they can perform the essential functions of the job after reasonable accommodation is made to their known limitations. If the accommodation cannot be made because it would cause the employer undue hardship, such persons may not be eligible.

Range: \$14,781.90-\$19,958.68

Code: A20-58002B 11-17-80 WPC

47X

NEW JERSEY DEPARTMENT OF CIVIL SERVICE

DIVISION OF CLASSIFICATION AND COMPENSATION

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (COMMUNITY DEVELOPMENT)

DEFINITION

Under the direction of the Executive Director, Council on the Arts, Department of State, is responsible to develop lines of communication between arts organizations (local and regional), coordinate cultural programs between community arts groups and the State agency, provide information sources; does related work as required.

EXAMPLES OF WORK

Conceptualize and carry out innovative arts programs in the discipline of visual arts, music, creative writing, dance, drama, etc., to be undertaken in cooperation with local arts councils and art agencies.

Serves as liaison between New Jersey State Council on the Arts and Community arts councils, arts organizations, local artists, and local sponsors of the arts and identify significant arts resources and activities within the State.

Attends and/or initiates meetings between these local groups and the State Arts Council.

Provides information to local arts groups and individuals about the activities of the State Arts Council, possible assistance that may be available, and cooperative programs.

Supervises press releases and Council newsletter publications; develops new publications to aid community arts groups (i. e. directory of exhibit opportunities in the State, listing of community arts groups, etc.).

Corresponds with national organizations and agencies to develop resources and contacts for local implementation.

Uses arts administration knowledge to plan, coordinate, develop, and supervise singular arts events that relate to the broadening of community support or involvement in the arts.

Advises the Executive Director as to arts trends and possible solutions or positions to be brought to attention of the Council by preparing reports on these matters.

REQUIREMENTS

Education

Graduation from an accredited college with a Bachelor's Degree.

Experience

Two years of professional experience in community arts including the dissemination of information and work with community groups.

PROGRAM COORDINATOR, COUNCIL ON THE ARTS (COMMUNITY DEVELOPMENT)

-2-

Applicants who do not possess the required education may substitute experience as indicated above on a year for year basis.

Knowledges and Abilities

FOURTEEN

Ability to read, write, speak and understand English sufficiently to perform the duties of this position.

Knowledge of the arts and various technologies of the arts.

Thorough knowledge of administrative procedures of the arts.

Ability to write and/or edit press releases covering arts events.

Knowledge of community, regional, State, and national arts councils and related activities.

Ability to address groups and conferences.

Ability to organize meetings.

Ability to do research and organize data into usable form.

Knowledge of arts concerns and directions throughout the State and to local needs.

Ability to conceive a project, determine courses of action and organize productive programs with a minimum of supervision.

Ability to supervise establishment and maintenance of essential records and files.

Good health and freedom from disabling, physical and mental defects which would impair the proper performance of the required duties or which might endanger the health of oneself or others.

Range: \$13,156.13-\$17,763.53

Code: A20-58002B

5-25-78 (WPC)

THE MONTCLAIR ART MUSEUM

STATEMENT: J.I. MILLS, PRESIDENT, BOARD OF TRUSTEES
R.J. KOENIG, DIRECTOR

Testimony

Legislative Hearing, March 21, 1991, 10:00 AM

- I. In fiscal 1991, The Montclair Art Museum's request for \$475,000 General Operating Support, Major Impact and Arts Focus funding was cut by \$175,000. It was not only a blow to a museum, it was a blow to an educational institution which serves a multi-cultural constituency numbering approximately 85,000 visitors and, through outreach programs such as Math in Art and Art Reflects Change, reaches an additional 50,000.
- II. The reduction in funding to the Montclair Art Museum, and anticipated further cuts, forces us to call into question the program of traveling exhibitions which project the image of a New Jersey that cares about culture and learning to audiences numbering over 500,000 in New York City, Chicago, Memphis, Buffalo and, in 1992, Graz, Austria.
- III. While it is difficult to assess with accuracy the economic impact of reduced funding to arts organizations, the fact that Montclair alone sustained cuts of almost three-quarters million dollars has been a contributing factor to the town's loss of population and the problematic state of its real estate, restaurant and retail industries.
- IV. We do not question the need to effect economies in the face of deficits, decaying cities and environmental crises, but we deplore the overkill which has reduced the staff of the New Jersey State Council on the Arts

from 26 in 1990 to 12 in 1991. This action could cripple the processing of grant applications for 1991-92 from artists and organizations all over the state and makes us wonder whether the state government understands that process, particularly the importance of the out-of-state peer review process, which has earned for the N.J.S.C.A. a reputation as one of the best arts organizations in the U.S.A.

- V. The Montclair Art Museum staff, Board of Trustees and all our constituencies thank Sen. Lynch, Sen Lipman and all those legislators who have lent their support to our efforts to secure a degree of moderation in our state government's current arts funding policies. We express our appreciation to Elizabeth Christopherson, the Board of Trustees and the staff of the New Jersey State Council on the Arts for all their efforts on behalf of arts organizations in New Jersey.

RJK:la
3/19/91

51X

END

EXECUTIVE DIRECTOR
NEW JERSEY STATE COUNCIL ON THE ARTS



NEW JERSEY
STATE
COUNCIL
ON THE
ARTS

Applications and nominations are invited for the position of Executive Director of the New Jersey State Council on the Arts located in Trenton, New Jersey.

The Council is seeking a director who has a Liberal, Fine Arts or Public Administration degree. Candidates possessing an advanced degree will receive preference. Persons with extensive administrative experience in an arts related organization, including more than five years of supervisory responsibility; knowledge of governmental processes and procedures; experience with budgeting; demonstrated knowledge of the performing, literary and visual arts; excellent written and verbal skills are urged to apply.

The director directs, implements and administers all programs and services of the New Jersey State Council on the Arts in accordance with the policies of the Council and consistent with State policies and procedures; assists the Council in developing policies; directs implementation of the Council's long-range plans; prepares and monitors the Council's budget; oversees staff; secures and manages federal funding; serves as Council representative at local, State, regional and national meetings and conferences related to the arts. Acts as liaison with Chairman and all members of the Council and is responsible for the relationship between the Council and the State government, and between the Council, outside agencies and the public.

SALARY RANGE: \$45,900-\$64,300

It is expected that the Director will take office July 30, 1991.

Applications should be submitted as soon as possible, preferably before April 1, 1991. Candidates should submit a cover letter explaining why they are interested in and qualified for this position, a current resume, and the name, addresses, and telephone numbers of five references.

This information should be sent to:

Sharon Harrington, or
Celeste S. Penney
New Jersey State Council on the Arts
4 North Broad Street
CN-306
Trenton, New Jersey 08625

The State of New Jersey is an Equal Opportunity Employer.



NEW
JERSEY
PERFORMING
ARTS CENTER

Lawrence P. Goldman
President

One Gateway Center (12th floor)
Newark, New Jersey 07102
Telephone: 201-648-8989
Fax: 201-648-6724

March 19, 1991

The Honorable Wynona M. Lipman
State Senator
50 Park Place
Newark, NJ 07102

Dear Senator Lipman,

Unfortunately previously scheduled and unchangeable commitments will not allow me to be present at your committee hearings regarding the State Arts Council.

If it is appropriate, I would ask that you allow the contents of this letter to become part of the record of the hearing.

A vital and active State Arts Council has long been a source of pride for the State of New Jersey. The funding, both capital and operating, provided by the State Arts Council to artistic groups, small and large, around the State has been one of the pivotal reasons why New Jersey has had such a fine record as a flourishing center of culture.

The New Jersey Performing Arts Center, as you know, is being designed and built to serve as an international setting for a multi-cultural array of world-class performing arts organizations. In addition, NJPAC is intended as a potential venue for the wide-range of arts groups in New Jersey. The New Jersey Symphony will finally have a permanent home and many of the other smaller performing arts organizations in the State will have the prospect of performing at a venue at the quality level of the Kennedy Center, Lincoln Center, and the other great cultural institutions of the world.

While we, of course, recognize the acute exigencies of these difficult financial times, we truly hope that the State Arts Council and the State commitment to the arts generally are recognized for what they are: not donations with no return, but vital investments in the State's economic, cultural, and spiritual infrastructure.

53X

The Honorable Wynona M. Lipman

Page Two

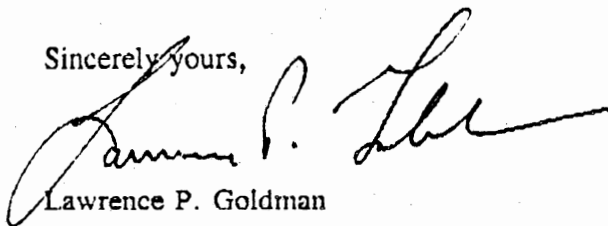
March 19, 1991

It has been demonstrated time and again that public investment in the arts yields returns far in excess of the amounts invested. The economic development leveraged from the arts and the quality of life enhancement associated with cultural development testify to the importance of a strong public commitment.

We urge the State Legislature to recognize, even in these difficult times, the seminal importance of the State Arts Council and the groups which it supports.

Thank you and best wishes.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Lawrence P. Goldman", written in dark ink.

Lawrence P. Goldman

LPG:onr

c: Raymond G. Chambers



Alliance for Arts Education/New Jersey

P.O. BOX 1774 • TRENTON, NJ 08607-1774 • (609) 396-7171

March 21, 1991

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Committee of the Senate

Chair: Senator Wyona M. Lipman

The State Council on the Arts has been a bulwark for the arts in New Jersey. They have been a motivator for excellence, a source of expertise and known throughout the arts community for their hard work and integrity. In my many visits to the council offices I have witnessed a vital staff diminished until the office has become a silent no-man's land.

The integrity of the grant process was threatened and grave concern for the continuation of NEA funds ensued. Cutting back on staff in a time of budgetary problems should be done in a conscientious, intelligent manner. Decimating this council and attempting to complete the grant process without the experience and expertise of the council staff and the peer review panels imperiled the arts in New Jersey.

We are not talking about a small item. I do not have to quote names of internationally known artists who received their artistic background and career beginnings in New Jersey. You are well aware of the scope of talented New Jerseyans. The fame of our performing groups and their service to arts education is also well known. Many of our now famous performing organizations, such as Cross Roads Theater, received the support of the arts council in their formation and growth.

The State Arts Council is the underpinning for the business of the arts, the excellence of the arts in New Jersey and that should not be compromised.

Thank you for your attention.

Joan Policastro
President, Alliance for Arts Education/New Jersey
4 Tall Pines Lane, Whitehouse Station, NJ 08889
908-439-2525

Joan Policastro

The John F. Kennedy Center for the Performing Arts



AAE/NJ is an affiliate of the Education Department of the John F. Kennedy Center for the Performing Arts, Washington, D.C.

JSX

Art - Its Value and Impact

The arts are an expression of ourselves in need and in joy. In depressed times the arts represent an outlet and hope for the future. In good times the arts remind us what life is all about.

It is the multitude of expressions, ideas and conceptions that make the arts the unique aspect of our life as it is. It represents the good and the bad in all of us in a safe and confining way. The small child grows rapidly in the atmosphere of the arts. The senior citizen reflects on the past through creative expressions on canvas or sculptured stone. Art records history and at the same time helps us to understand what history is all about. To be without art is to be without value in life. If we take art away because time and economic conditions are tight, it only compounds the problem because we also take away expression, confidence, love and self-creativity. Art is and always will be taken for granted because we never take the time to really look at its true value, its worth, its basic need to all of society. Expressing this need, this value is always difficult. It is difficult because most people take from art. We do not look at what it really does for us.

Art is an educational process to start. It demands continuous learning, challenge and recording. The more one learns about art, the more it is valued. The more one practices art, the more that person grows within. It is the continuous educational process surrounding art that gives it a character and a value to all in our society.

Art is used in therapy where there is no hope. Art somehow produces new hopes. Art tells stories and expresses beauty, joy and happiness. It somehow combines musical notes to soothe the soul or stimulate the mind. It represents to you who you are. Without it who are we? Why do we live? How do we express ourselves?. How do we reach out for excellence?

Art is communication. It communicates politics to love and justice. One does not need to understand another's language but can always understand another's art no matter what language or culture it comes from. When we take away the arts we take away the ability to communicate with each other, and in that lies the real danger. Without communication, society breeds distrust, misunderstanding, war and destruction.

Art allows us to explore and to create. It is the basis of all new thoughts. In all long chains of events, it is the art that helped create modern inventions. It is time tested. It is the trial and errors of art that allows us to advance into the unknown, seek assurance, to solve universal problems and test reality as an everyday experience.

Art teaches how to organize, train and discipline ourselves. We learn how to build a strong foundation. How to balance and to respect the need for balance in life. It gives us alternatives to turn to other than drugs or alcohol. Choice is an everyday training experience in the arts. There is a very significant right or wrong learned from the arts. What art does more than any other media is to challenge concepts of right or wrong, to explore their soundness and expose their benefit or drawbacks.

Art is a motivator. It gives meaning and purpose to life. The sick gain hope to continue with a purpose and the shy have an outlet to express their feelings and live. The dancer gains strength as he/she strives for perfection. The child is mystified by its magnetic adventures. Alcoholics have a choice and something to turn to. Poets capture in words those things that motivate the world. Painters capture the sunsets and sculptors create lasting impressions of ourselves in stone that lasts forever.

In almost every aspect of what art is it is clearly reflected in politics. Politics requires communication, motivation, education and creation of new. They are all deeply rooted in the natural process of the arts but we seldom look at the arts as the basis of politics. Cutting back on the arts is like cutting back on political power and not even knowing it. It's like cutting off a leg of a wolf in the wilderness and expecting it to survive despite the odds. Politics is an art in every sense of the word even though most do not like to admit it and few take the time to realize it. But then we tend to take politics for granted too. We may not agree with it, we may not be wrapped up in it and we at times may not understand it but politics is to us an essential part of our lives and our society just as art is.

Art represents the inner part of our lives that says its exciting to be alive, it is worth it to help others to learn and grow. It is such an important part of the balance in life that without art it a part of ourselve dies.

Art is our outlet, the creator within ourself, the reason we have values. It is life and all that its about.

Benjamin M. Schaffer
Essex County Division of Cultural
and Historic Affairs
March 20, 1991