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RELEASE: June 28, 1999

NEWS RELEASE

Governor Whitman Signs Fiscal Year 2000 Budget, Says Budget Improves Quality of Life for New Jerseyans and Returns Property Tax Money to Homeowners

Gov. Christie Whitman today signed the \$19.5 billion Fiscal Year 2000 budget, which will dedicate an unprecedented amount of state revenues to offset local taxes and will improve the lives of all New Jerseyans with the start of an historic ten-year program to preserve 1 million acres of open space and farmland.

"This budget means our citizens can be confident that there will be open space in their town every year and a clean and inviting Jersey Shore each summer," the Governor said. "These benefits are in addition to the many services that they've come to expect from state government already - from beautiful state parks to safe and reliable highways to an affordable and accessible system of higher education."

Called a national model, the Governor's open space initiative will spend an unprecedented \$98 million each year for ten years to protect open space and farmland from development. When fully implemented, roughly 40 percent of the total land making up the Garden State will be preserved.

Although the state budget will increase by about six percent over adjusted spending from last fiscal year, the budget keeps executive spending virtually even. More than two-thirds of the six percent increase accounts for the first year of the Governor's \$1 billion property tax rebate program and increased aid to schools and colleges.

Under the rebate program, taxpayers will begin receiving checks for an average of \$120 to offset the school portion of their local property taxes. By the end of the five-year phase-in period, the average check will be \$600.

A total of \$8.6 billion in property tax relief is included in the budget. In addition to funding the property tax rebate program, the spending plan offers the following tax relief to New Jerseyans:

ú 200,000 people will be removed from the state income tax rolls by increasing the wages that are exempt for working families to from \$7500 to \$10,000. Future budgets will increase the income threshold to \$15,000 and then \$20,000.

- Senior citizens will keep more of their retirement income by raising the amount of pension income that is tax exempt
- Veterans and the disabled will receive a higher property tax credit
- Qualified senior and disabled citizens will have their property taxes frozen at their 1998 rate

- Municipal aid will be indexed to inflation

The Governor said the spending plan is a "promise keeping" budget that will improve the lives of New Jerseyans.

"School districts across the state will have more money to spend, communities will have more money to put cops on the beat, local fire departments will be able to obtain a thermal-imaging camera to help find and save fire victims, and there will be added funds for road construction statewide through an increased cap for our Transportation Trust Fund," the Governor said of the budget.

Gov. Whitman praised the Legislative leadership, including Senate President Don DiFrancesco and Assembly Speaker Jack Collins, for helping to pass a budget with bipartisan support in an election year.

The budget maintains the healthiest surplus in the state's history with \$783 million.

Among the initiatives to receive major increases are:

- local school aid and school construction funding
- colleges and universities
- parks and open space
- new State Police initiatives
- anti-smoking programs
- municipal aid
- shore protection
- senior citizen initiatives to keep them in home settings

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