



## OFFICE OF THE GOVERNOR

### NEWS RELEASE

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## Gov. Whitman's Remarks at League of Municipalities 82nd Annual Conference

Gov. Christie Whitman today told New Jersey's municipal officials that efforts to reduce property taxes will have to include considering fundamental, even radical, changes to the operation of municipal government. Changes that will have the greatest impact include eliminating excessive local government, consolidating municipal services, reforming civil service, controlling local spending and linking state aid to prudent fiscal practices, the Governor said at the 82nd Annual League of Municipalities Convention in Atlantic City.

"If we're really serious about property tax reform, these are the types of issues we all must be willing to address. Controlling the growth of property taxes requires hard decisions at every level of government. I, for one, am willing to commit myself to making those tough choices," Gov. Whitman said.

The Governor agreed to a request by municipal leaders to convene a special commission to recommend changes in these areas. Mayors made the request at a property tax roundtable in which the Governor participated earlier in the day.

Gov. Whitman told municipal leaders that her administration has provided local governments with many of the tools they need to control property taxes. Among the most important tools were the full takeover of the costs of the county courts, implementation of the State Mandate - State Pay constitutional amendment, and meaningful reform of the state's system of binding arbitration. In total, it is estimated that these tools will provide nearly \$450 million in annual property tax relief.

"This administration has given you many of the tools you said you needed to control property taxes. We gave you those tools, and you responded by keeping property tax growth to its lowest level in more than two decades," the Governor said.

"But, there are tools out there that aren't being used, like transferring welfare administration from the state's 566 municipalities to the 21 counties. This approach is far more efficient and effective than the current practice, and will save municipalities \$25 million per year," Gov. Whitman said.

"To my surprise, only about 25 percent of our municipalities have indicated that they would transfer their welfare operations to the counties, and time is running out," the Governor said.

Municipalities seeking to participate in this consolidation effort were asked to indicate their intention by October 1, 1997. Municipalities still have until December 31, 1997 to participate in the consolidation. A list of those towns that have transferred their welfare operations to the county level is attached.

"Together, we have to face a lasting reality: New Jersey taxpayers, after all we have done, still feel overtaxed. And we know they are not wrong, because, quite simply, our taxpayers are over-governed at every level. I am confident, however, that we can enact long-term reforms that will control property taxes and will help New Jersey lead America into the 21st century," Gov. Whitman told the mayors.

A copy of the [Governor's remarks](#) is attached.

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