

State Of Change

Three Years In Office, Governor Christie Continues to Build A Sweeping Record Of Historic And Bipartisan Reform

PUTTING NEW JERSEY'S FISCAL HOUSE IN ORDER:

Governor Christie Closed Has Closed Deficits And Put New Jersey On A Sounder Fiscal Footing <u>Without Raising</u> <u>Taxes</u>: Gross fiscal mismanagement had left an enormous \$2.2 billion deficit in the fiscal year 2010 budget, with less than half of the budget year remaining, when Governor Christie was sworn into office. Governor Christie acted to bring the budget back into balance, and did it without raising taxes, raiding the already-shrinking surplus, or increasing debt. In Fiscal Year 2011, Governor Christie again acted decisively to close an \$11 billion budget deficit and pass a balanced budget that set New Jersey on the difficult, but proper course to toward a sounder fiscal footing.

- Through the budget, Governor Christie has brought about fundamental government reforms, while still acting on a commitment to provide for the most vulnerable New Jerseyans.
- The result has been a regularly balanced budget that has put the State on sound financial footing and critical reforms to control the cost of government to ensure that New Jersey never again reaches the brink of disaster as it did in 2010.

HISTORIC, BIPARTISAN PENSION AND BENEFITS REFORM:

Governor Christie Signed Sweeping Bipartisan Pension And Benefits Reform That Will <u>Save New Jersey Taxpayers</u> \$120 Billion Over The Next 30 Years: Governor Chris Christie signed into law landmark pension and health benefit reform in June 2011, marking months of hard work, negotiation, compromise and ultimately bipartisan support. (Governor Christie, "Governor Christie Signs Into Law Bold, Bipartisan Pension and Health Benefits Reform," Press Release, 6/28/11)

- Pension reforms will save New Jersey taxpayers over \$120 billion over the next 30 years; and
- Health benefits reforms will save an additional \$3.1 billion over the next 10 years.

SWEEPING EDUCATION REFORM:

- **Historic, Bipartisan Changes To The Nation's Oldest Tenure Law:** Marking the first extensive reform of New Jersey's tenure law in over 100 years, Governor Christie signed into law the Teacher Effectiveness and Accountability for the Children of New Jersey (TEACHNJ) Act, a sweeping, bipartisan overhaul of the oldest tenure law in the nation.
- Working With Teachers To Bring Performance-Based Pay To Newark Schools: For the first time in New Jersey
 history, teachers in Newark will earn raises and be eligible for additional bonuses based on annual performance
 evaluations that include measuring the progress being made by their students. This new contract will enable
 Newark to retain and reward the best teachers and improve the quality of education for their students:
- The Largest Appropriation Of State Funding For Education In New Jersey History: Governor Christie has followed through on his commitment to provide both the resources and reforms to deliver opportunity to every New Jersey child. Over the last two years, State aid to education has been increased by more than \$1 billion. State

education aid totaled \$8.9 billion in the fiscal year 2013 budget, the largest appropriation of State funding for education in New Jersey history.

- Focusing On The Lowest Performing Schools: The Christie Administration has undertaken bold reform to turn around the state's persistently failing schools. As one of the first states in the country to receive flexibility from No Child Left Behind, the Department of Education is recognizing high performing "Reward" schools and shifting significant resources and support to "Priority" and "Focus" schools, those schools that are the lowest performing in the state or that have significant achievement gaps. The Department is providing the day-to-day support of dozens of expert educators through Regional Achievement Centers to help these schools improve.
- The Urban Hope Act: The Urban Hope Act is designed to expand the education options available for children and parents who are trapped in some of New Jersey's school districts with the largest achievement gaps. The bill authorizes the conversion of failing schools into renaissance schools in three of our highest needs districts: Camden, Trenton, and Newark.
- Attracting The Best Charter School Operators: Governor Christie has improved the authorizing and application
 process, encouraged more charter school applicants, created greater flexibility with administration and finances,
 and allowed districts to convert failing public schools into charters.
 - The Christie Administration has increased the overall number of charter schools in New Jersey to 86, while relentlessly focusing on quality and holding all schools accountable for results by closing 5 low-performing charter schools.
- Inter-District School Choice Program: The Interdistrict School Choice Program was permanently signed into law by Governor Christie in September 2010 and fully implemented beginning with the 2011-12 school year. The program is designed to increase educational opportunities for students and their families by providing students with the option of attending a public school outside their district of residence without cost to their parents.
 - Enrollment has tripled in the past three years to 3,357 students in 2012-13, and it is anticipated to grow to more than 6,000 in 2013-14.

REINING IN PROPERTY TAXES:

A 2 Percent Hard Cap On Property Taxes: In July 2010, Governor Christie signed into law a 2% hard cap on property taxes, marking the first significant step toward bringing lasting property tax reform to New Jersey.

- New Jersey's Highest In The Nation Property Taxes Had Increased More Than 70 Percent Since 1999. (Claire Heininger & Chris Megerian, "N.J. Property Taxes Climb 70 Percent In 11 Years, Remain Highest In U.S.," Star Ledger, 2/26/10)
- In 2011, New Jersey Homeowners Saw An Average Rise Of 1.7 Percent In Effective Property Taxes. "<u>The Smallest Increase In Nearly Two Decades.</u>" ("The Governor's FY 2013 Budget: Budget Summary," <u>Office Of Management And Budget</u>, 2/21/12; Megan DeMarco & Eric Sagara, "Did N.J. Property Tax Reform Help Most Taxpayers?" <u>Star Ledger</u>, 1/8/12)

Interest Arbitration Reform To Help Local Governments Rein In The Cost Of Government. Working together with Senate and Assembly Leadership, Governor Christie signed into law transformational, long-overdue interest arbitration reform that provides municipalities with the help they need to keep property taxes down for New Jerseyans.

PROMOTING ECONOMIC GROWTH:

• Governor Christie Has Signed Into Law \$2.35 Billion In Tax Relief To New Jersey's Job Creators. These reforms were crafted with input from job creators around the state, who have stressed the need for tax reforms to increase the state's competitiveness, improve the business climate and create Jersey Jobs. This package of reforms was passed in 2011 with bipartisan support and is being implemented in an economically prudent and fiscally responsible manner. They are now entering their second year of phase-in in the fiscal year 2013 budget: ("The Governor's FY 2013 Budget: Budget Summary," Office Of Management And Budget, 2/21/12)

- The New Jersey Partnership For Action: The centerpiece of the administration's economic development agenda, the Partnership is comprised of three interconnected and highly-focused organizations:
 - Choose New Jersey: A 501(c)(3) run by leading corporate citizens to market New Jersey's core strengths at home and abroad;
 - The New Jersey Economic Development Authority: The state's "bank for business;" and
 - The Business Action Center: A "one-stop" shop for businesses that saves New Jersey businesses valuable time and money by working as an extension of their team for financial solutions, site selection or to resolve compliance issues.
- The Red Tape Review Commission: Established in September 2011, the Commission spurs economic activity by reviewing and eliminating administrative rules and regulations and soliciting public input on regulatory barriers to analyze their impact on job creation, economic growth and investment throughout the state.
- The Urban Transit Hub Tax Credit Program: In August 2012, Governor Christie increased the cap of available tax credits to a total of \$1.75 billion. This powerful financial tool is designed to spur private capital investment, business development and employment by providing tax credits for businesses planning a large expansion or relocating to a designated transit hub located within one of nine New Jersey urban municipalities.
- GrowNJ: The <u>GrowNJ program</u>, a Christie Administration initiative expands on successful existing business
 incentive programs while embracing innovative ideas to spur job growth and economic expansion. The program
 provides at least \$200 million in incentives to create and retain Jersey Jobs in areas not currently eligible for the
 Urban Transit Hub Tax Credit with a comparable business incentive program, allowing them to compete for new
 development, the retention of jobs and reinvestment.

A HISTORIC REORGANIZATION OF HIGHER EDUCATION:

The New Jersey Medical and Health Sciences Education Restructuring Act: Continuing his strong record of bipartisan cooperation and compromise to put results before politics, Governor Chris Christie signed the bipartisan "New Jersey Medical and Health Sciences Education Restructuring Act" into law, achieving a long-awaited, dramatic overhaul and strengthening of the state's higher education system that had eluded leaders in the state for more than a decade. This significant and sweeping restructuring legislation, A-3102, will promote long-term, sustainable economic growth and high academic achievement by fostering three hubs of higher education excellence in the northern, central, and southern parts of the state.

UNPRECEDENTED TRANSPARENCY AND ACCOUNTABILITY:

- Expanding Pay-To-Play Restrictions: Shortly after taking office, Governor Christie signed Executive Order 7 to
 modify prior Executive Orders on "pay-to-play" restrictions in order to level the playing field. The order expanded
 restrictions against "pay-to-play" to any labor union or labor organization that enters into contracts with the State
 and expanded applicable contribution restrictions to include Legislative Leadership Committees.
- Helping New Jerseyans Know How Their Tax Dollars Are Spent: Governor Christie is committed to empowering
 citizens to track government spending and hold Trenton accountable. Allowing the public to easily access this
 information is a critical first step toward more transparent and affordable government in New Jersey. The
 Transparency Center lets users citizens, taxpayers, journalists and advocates search, sort and download data
 on stat expenditures, tax collections and the state payroll, including overtime pay across agencies and job titles.
- Bringing Accountability And Oversight To State Authorities: In February 2010, Governor Christie signed a
 sweeping executive order directing a comprehensive review of all state authorities, boards and commissions and
 taking immediate action to reform abusive fiscal practices at those authorities, boards and commissions. Such
 semi-autonomous authorities, board and commissions control billions of dollars in capital and operating budgets yet
 operate without many of the safeguards applicable to all other agencies of state government.

- Using Veto Power To Further Rein In New Jersey's 'Shadow Government': Since taking office, Governor
 Christie has repeatedly exercised his veto authority to rein in the spending activities of the State's so-called
 'independent' authorities, boards and commissions. Governor Christie's proactive approach reflects his unwavering
 commitment to fiscal discipline and accountability from all facets of government. This use of the veto pen to check
 the spending and bad practices of these government-created spending entities is a substantial departure from the
 practice of prior administrations.
- Bringing Real Reform And Needed Improvements To The Port Authority: After years of fiscal mismanagement,
 Governor Christie has implemented needed reforms at the Port Authority of New York and New Jersey, including
 the appointment of David Samson as Chairman and Bill Baroni as Deputy Director of the Port. Governor Chris
 Christie and Governor Andrew Cuomo directed the Port Authority to undergo a full top-to-bottom audit of the agency
 and begin needed reforms. Two independent reports were released in September 2012 and concluded that the
 agency's leadership has moved quickly and aggressively to implement meaningful reforms putting in place more
 than 50 distinct initiatives ranging from addressing compensation and benefits to revamping its organizational
 structure.
- Critical Reform Measures To Overhaul Delaware River Port Authority: In a letter to the Chairman and Vice-Chairman of the Delaware River Port Authority, Governor Chris Christie called on the authority to act swiftly to improve transparency and restore public confidence in the bi-state agency by adopting an extensive list of muchneeded reforms.

PROTECTING THE MOST VULNERABLE:

The Governor's fiscal year 2013 budget reinforced his commitment to protect and care for the most vulnerable among us. Even through two years of fiscal hardship and difficulty, Governor Christie has maintained this core value shared by all New Jerseyans. Today, New Jersey is now in a position to strengthen that commitment, fundamentally rethink how our neediest citizens' are served, and broaden our engagement in a proactive way to reach even more New Jerseyans with the care they need.

<u>Integrating Services Provided To Women, Children And Families:</u> The Christie Administration has relocated the Relocating the Division on Women within the Department of Children and Families to foster a more comprehensive and coordinated organization. Bringing the Division on Women under DCF will better position the department to strengthen families and sharpen its focus on the occurrences of child abuse, domestic violence and sexual assault.

- Easier to Access Family Centered Care. Families in need of services would have to reach out to numerous New Jersey departments and agencies, making it difficult to understand service choices, resulting in missed opportunities and creating duplication. Integration allows for a coordination of services that has ended the fragmentation that has been an obstacle to access and quality of care. With this reorganization, DCF's care will be centered on a family support network that will look at the whole picture in order to improve outcomes for children and adolescents.
- Strengthening Women's Services. The functions of the Division on Women in the Department of Community
 Affairs has been transferred and integrated into DCF's Division of Family and Community Partnerships. DCF will
 become the primary State agency responsible for domestic violence and child abuse services.

Expanding The Drug Court Program For Non-Violent Drug Offenders: Governor Christie firmly believes that no life is disposable. The FY 2013 budget provides \$2.5 million for an expansion of the drug court program for all non-violent drug offenders, because everyone deserves a second chance.

<u>Providing A Single Point Of Entry For Senior Long-Term Care Services:</u> Governor Christie is providing a new vision for providing integrated senior care with the creation of the Division of Aging Services. As part of the Department of Human Services, the Division will be better able to link supports and services by providing a single point of access and assuming responsibility for all senior programs currently housed in the Department of Health including long-term supports and

services, both those provided at nursing homes and community-based services; other senior benefits such as Pharmaceutical Assistance to the Aged and Disabled; Senior Gold pharmaceutical assistance, and the Lifeline Utility Assistance Program.

Providing The Necessary Resources To Address And Prevent Homelessness: In October 2012, the Christie Administration awarded \$4 million in Shelter Support grants to 28 nonprofit and local government agencies operating emergency homeless shelters and transitional housing facilities. The grants will be used to create new emergency shelter beds, abate code violations, address life safety issues in emergency shelters and transitional housing facilities, support existing shelter beds, and purchase equipment, furnishings and vans, resulting in improved living conditions for homeless individuals, victims of domestic violence and military veterans. These awards follow the over \$3.8 million in grants that were awarded in December 2011.

• **Building On The Success Of The Veterans Haven Program:** The Christie Administration has expanded the Department of Military and Veterans Affairs successful Veterans Haven program to provide access to veterans in the northern part of the state. The Veterans Transitional Housing Program – Veterans Haven – is a facility for homeless veterans.

BETTING ON ATLANTIC CITY:

<u>The Atlantic City Tourism District:</u> Governor Christie is continuing his commitment to support the regional and state economies through the ongoing revitalization of Atlantic City's tourism and gaming economies. After historic reforms were signed into law in 2011, including the establishment of an Atlantic City Tourism District administered by the Casino Reinvestment Development Authority, and a Tourism District Master Plan that was adopted just this month, Governor Christie is continuing to provide the resources necessary to support Atlantic City's comeback.

<u>Making Revel A Reality:</u> In February 2011, Governor Christie announced the approval of \$260 million in tax incentives by the New Jersey Economic Development Authority to support infrastructure improvements in the South Inlet neighborhood adjacent to the Revel development to help move the \$2.4 billion project forward. The agreement allowed the stalled project to move forward toward completion without using taxpayer funds.

• The New Jersey Department of Labor and Workforce Development awarded a \$2.6 million Customized Training Grant in December to help provide local workers with the skills and qualifications needed to fill the 5,000 permanent jobs created by Revel.