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Governor Chris Christie's Sick Pay Reforms Needed to Deliver Real, Long-Term Property Tax Relief to New Jersey Families

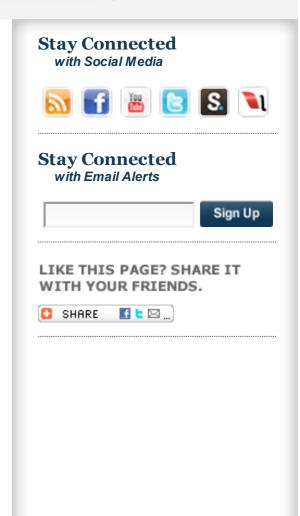
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Local Government Sick and Vacation Benefit Liabilities Have a Real, Direct Cost to Property Taxpayers

Trenton, NJ – Governor Chris Christie has put forward a common sense policy to finally end the wasteful practice of paying out taxpayer dollars to public workers for unused sick days. These local government obligations have a real and direct cost to property taxpayers, totaling over \$1000 for the average property taxpayer in some municipalities. The legislature, now on vacation through the end of the year, has failed to take up these reforms and deliver relief to property taxpayers despite the fact that accumulated sick and vacation liabilities already total over \$825 million on municipalities' books.

Over one year ago, the Governor conditionally vetoed legislation that would have provided \$15,000 payouts of these benefits, returning the bill with changes to eliminate any cash value for unused sick days moving forward, and limit the ability to carry forward unused vacation days to one year only. For 375 days, the legislature has failed to act on the conditional veto to provide reform of this broken system.

"The reality is that the abusive practice of cashing out unused sick time has a direct and significant impact on local budgets and our overburdened property taxpayers. In New Brunswick, the highest per-taxpayer liability in the state, the average property taxpayer is on the hook for over \$1300, for nothing more than unused public worker sick and vacation days. And in Jersey City, the total liability to taxpayers is an astounding \$74 million," said Governor Christie.



The Governor has called on the legislature to enact the remaining tool kit bills to drive down costs and deliver sustainable property tax relief to New Jerseyans, including sick and vacation benefit reform, civil service reform, and disability pension abuse reform.

Earlier this month, a bipartisan group of 234 mayors joined Governor Christie's call for the legislature to end its delays and pass real sick and vacation pay reform to save taxpayer dollars and deliver critical budget relief to municipalities. These mayors joined the Governor in demanding action on this common sense reform that will lower costs, provide significant taxpayer savings and give local governments additional tools to manage their budgets and hold down property taxes for New Jersey families.

"The legislature must finally embrace and act on a simple principle right now - if you are fortunate enough to work without getting sick, you should not be able to put our state's property taxpayers on the hook for your unused sick time. It's time to bring this practice to an end and continue passing reforms needed to deliver long-term, sustainable property tax relief to families. There is absolutely no legitimate excuse for not acting to end this practice once and for all." continued Governor Christie.

Without reform, sick and vacation benefit liabilities will continue to accrue at the expense of property taxpayers all across the state, including those property taxpayers already facing some of the highest per household liabilities today:

Estimated Per Household Liability for Accumulated Sick and Vacation Time Owed to Public Workers

| Municipality | Total Taxpayer Liability | Per Household Taxpayer Liability |
|-------------------|--------------------------|----------------------------------|
| New Brunswick | \$14,515,297.99 | \$1,330.68 |
| Jersey City | \$73,979,519.00 | \$1,174.13 |
| Alpine Borough | \$850,523.00 | \$1,169.46 |
| Hackensack | \$18,875,368.00 | \$1,030.51 |
| Harrison | \$3,517,916.00 | \$979.48 |
| Asbury Park | \$4,819,259.00 | \$903.16 |
| Madison Borough | \$4,512,480.00 | \$883.24 |
| West New York | \$7,782,193.00 | \$869.78 |
| Ridgewood Village | \$7,203,566.23 | \$861.41 |
| | | |

Weehawken \$4,249,583.65 \$859.12

Governor Christie has acted on a commitment to deliver property tax relief to New Jersey families by fixing the underlying causes of the state's property tax crisis. In addition to historic pension and health benefits reform, Governor Christie enacted a 2 percent cap on property tax increases to end the skyrocketing rise in taxes, a 2 percent cap on interest arbitration awards to control costs under the cap, a cap on superintendent salaries, increased education funding and maintained a stable level of municipal aid.

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