



## What They're Saying

Monday, December 13, 2010 • Tags: [Property Taxes](#)

### Newspaper Editorials, Local Leaders, And Legislators From Both Parties Agree...

*Newspapers editorials note that this needed reform compromise was a direct result of the Governor and Legislative leaders' willingness to work together...*

#### Daily Record, "This is relief municipalities badly need":

"Talk to most mayors about controlling salary increases and by extension, property taxes, and many will blame the "arbitration system"...Gov. Chris Christie is trying to stop it. To coincide with the state's already-enacted 2 percent property tax cap, the governor proposed capping arbitration awards at 2 percent a year. Democrats, who control both houses of the Legislature, originally balked, but on Thursday, a compromise was reached...This is a major breakthrough, even if current contracts — and their 4 percent increases — have to expire before relief arrives. The agreement calls for the new standard to take effect in January and to run for three years. If economic conditions improve by then, the arbitration cap can be adjusted. This is relief municipalities badly need." ("Arbitration reform at long last," Daily Record, 12/11/2010)

#### The Record, "...we are especially heartened by this bipartisan progress...":

"...the proposal should do much to help reset the speedometer on sky-high public safety salaries, among the most significant cost-drivers in municipal budgets. The deal, hammered out by Christie and Democratic leaders Senate President Stephen Sweeney, D-Gloucester, and Assembly Speaker Sheila Oliver, D-Essex, over several days this week, seeks to contain property-tax growth by capping contract arbitration awards. Salaries for police and firefighters have grown faster than all other public workers' pay in the past three decades, accelerated by a 1977 state law that forbade striking and compelled towns and unions to agree to binding arbitration when contract negotiations fail. For years, as those arbitrators awarded contract increases upwards of 5 percent, local unions elsewhere opted to keep up with the Joneses and New Jerseyans ended up with the highest-paid police forces nationwide. By a mile...In all, this is a wise move by all parties that should protect towns and cities from even deeper cutbacks than we saw during the current budget year...And nearly as important, for at least a few minutes on Thursday, Trenton was a place where both sides gave way to a reasonable middle ground. Given what happened — or rather, didn't happen — on the bitterly divided Capitol Hill this week, we are especially heartened by this bipartisan progress close to home. ("Political fondue," The Record, 12/10/2010)

#### Star-Ledger Editorial Board, "...in the long run, arbitration reform will help put the brakes on out-of-control property taxes":

"A 2 percent cap on salary increases for police and firefighters in arbitration awards will help avert massive layoffs as towns cope with a 2 percent cap on property taxes. And in the long run, arbitration reform will help put the brakes on out-of-control property taxes. Arbitration has played a major role in creating the mess we're in today. It has allowed the nation's highest-paid cops — many earning more than \$100,000 a year — to walk away with six-figure checks for unused sick and vacation time. It has allowed them to retire in their 40s and collect pension checks for decades, along with free lifetime health benefits. More recently, it has awarded cops and firefighters reality-defying raises at a time when taxpayers are losing their jobs and their homes, and facing pay freezes and furloughs....[Taxpayers] needed relief. So give the Democrats credit for standing up to public employee unions and give the governor credit for accepting the deal." ("Christie strikes deal: Salary cap is 'truly historic reform,'" Star-Ledger Editorial Board, 12/10/2010)

*Local leaders recognized that the arbitration cap compromise was necessary...*

#### Executive Director of the New Jersey State League of Municipalities William G. Dressel Jr., "It's a sea change in the arbitration statute":

"Bill Dressel, executive director of the New Jersey League of Municipalities, called the accord a "sledgehammer" for mayors to keep down costs..." (Ginger Gibson and Matt Friedman, "Key piece OK'd for New Jersey municipal 'tool kit,'" NJ.com, 12/10/2010)

"The executive director of the New Jersey State League of Municipalities, William G. Dressel Jr., said the arbitration process and its 2 percent cap would be "the hammer" that brings unions and governments to the table to negotiate. "It's a sea change in the arbitration statute, the most dramatic change that's been made to the statute since its inception nearly 40 years ago," Dressel said." (Michael Symons, "Governor Christie, Democrats reach compromise on arbitration," Home News Tribune, 12/9/2010)

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**Chairman of the Legislative Committee for the State Fraternal Order of Police Steven Demofonte, "... supported the compromise legislation":**

"Steven Demofonte, chairman of the legislative committee for the state Fraternal Order of Police, said the FOP supported the compromise legislation..." (Adrienne Lu, "N.J. leaders compromise, cap arbitration awards at 2 percent," Inquirer, 12/10/2010)

*Bipartisan legislative support for the arbitration cap shows that property tax relief is not a partisan issue...*

**Senate President Stephen M. Sweeney, "By putting aside partisanship, we did it":**

"This is truly historic reform for New Jersey. I thank Speaker Oliver for her partnership as we made our case to the Governor. And I thank the Governor for not only listening, but realizing that through compromise we could produce better legislation and stronger reform than any of us could have come up with on our own. Each of us shared the same goal: to revolutionize the system of binding arbitration, and for the first time, to ensure taxpayers stand on a level playing field with the police and fire unions. By putting aside partisanship, we did it. When the property tax cap was signed, I made a commitment to mayors that before the end of the year they would have the arbitration reform they would need to make it work. With today's agreement, we delivered on that promise." (Sweeney: Landmark Arbitration Deal Good For Taxpayers, Towns And Public Employees, Press Release, 12/9/2010)

**Assembly Speaker Sheila Y. Oliver, "This is a reasonable and commonsense plan that takes a big step toward long-term property tax reform":**

"New Jersey taxpayers want reform that controls property taxes while also respecting the hard-working police and firefighters who bravely keep us safe day after day. This agreement accomplishes those goals. This is a reasonable and commonsense plan that takes a big step toward long-term property tax reform. That's why we were able to build a strong, wide-ranging consensus around it. I'd like to thank everyone involved, including Senate President Sweeney and Gov. Christie, for their hard work and cooperation in getting this done." (Speaker Oliver On Arbitration Agreement, Press Release, 12/9/2010)

**Assembly Republican Leader Alex DeCroce, "[Arbitration cap] represents another victory in the effort to control government spending":**

"Today's historic bipartisan agreement between Gov. Christie and legislative leaders represents another victory in the effort to control government spending. Interest arbitration is an important component in the governor's property tax reform tool kit which taxpayers and local government officials have been rightfully demanding for a long time. Game changing Governor Christie has again displayed his strong leadership by doing what is in the best interest of New Jersey taxpayers. Going forward, Assembly Republicans will continue to push for the other key elements of the Tool Kit which are also necessary to contain local government costs." (DeCroce Statement On Bipartisan Arbitration Agreement, Press Release, 12/9/2010)

**Assembly Republican Declan O'Scanlon, "The compromise will change the playing field...":**

"Today's agreement by Governor Christie with the legislative leadership represents another important step in the effort to provide relief to taxpayers by controlling local government expenses. The compromise will change the playing field not only as it pertains to interest arbitration, but for the collective bargaining process as well. The ultimate goal of this legislation and the other bills contained in the property tax reform Tool Kit is that it is sustainable and effective. While we cleared an important hurdle with this agreement, our work on achieving the objective of providing property tax relief is far from finished. We now must focus our attention on the remaining Tool Kit bills that will further help municipalities stay within the Cap 2.0 tax levy." (O'Scanlon Statement On Bipartisan Interest Arbitration Agreement, Press Release, 12/9/2010)

**Assembly Republican Conference Leader Jon Bramnick, "...today's agreement will give officials a powerful tool to restrain spending and lower property taxes":**

"With time running out, Governor Christie, Senate President Sweeney, Speaker Oliver and Republican Leaders DeCroce and Kean hit a bipartisan buzzer-beater to score another one for New Jersey property taxpayers. Cap 2.0 is just days away, but today's agreement will give officials a powerful tool to restrain spending and lower property taxes. We need to build off this agreement and pass the rest of the comprehensive property tax reform agenda before the end of the year to deliver the relief that property taxpayers deserve." (Bramnick Praises Revolutionary Arbitration Legislation That Will Relieve Property Taxes, Press Release, 12/9/2010)

**State Senator Tom Kean, Jr., "This is truly a historic day for New Jersey":**

"By working together, we have restored balance to the arbitration process to better control property taxes for middle-class families," said Senator Kean. "Too many families have reached a breaking point with their ability to afford the costly expenses of local government. With this agreement, public employees and taxpayers can continue to live, work, and raise their families in a state that is more affordable for all. This is truly a historic day for New Jersey." (Sen. Kean Hails Bi-partisan Arbitration Reform Plan, Press Release, 12/9/2010)

**Senator Dawn Marie Addiego, "Taxpayers are the winners under this agreement...":**

"Taxpayers are the winners under this agreement," said Senator Addiego. "The compromise proposal reached between legislative leaders and the Governor is a major milestone for reform in New Jersey- one that too many residents thought would never come. Placing a realistic cap on arbitration awards, speeding up the time in which cases must be resolved, and requiring that arbitrators be chosen at random will reduce labor costs and the pressures they exert on local budgets. I look forward to supporting this bold property tax reform measure when it comes to the floor of the Senate." (Sen.

**Assembly Budget Chairman Lou Greenwald, “This legislation is exactly what New Jersey has needed”:**

“This legislation is exactly what New Jersey has needed...” (Greenwald & Quigley Bill Revising Arbitration System To Bring Long-Term Property Tax Reform Advanced By Assembly Panel, Press Release, 12/9/2010)

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