

Address of Governor Christine Todd Whitman
to a Joint Session of the
New Jersey State Legislature
concerning the
State of the State

January 13, 1998

Mr. President, Mr. Speaker, Madam Chief Justice,
distinguished members of the Legislature, honored guests,
fellow New Jerseyans:

With the Winter Olympics right around the corner, I
feel a little like a figure skater trying to execute a
triple axel. I have to give this speech, the Inaugural, and
the Budget Address all within a few weeks of each other.
And I have to land on my feet each time.

But having them so close together does provide one
advantage. I don't have to jam every conceivable policy
idea and topic into just one speech -- and that's something
you should be thankful for as well. I can keep some of them
on ice until next week or next month.

So let me begin this speech by thanking you, the people
of New Jersey. Thank you for giving me the honor of serving
you again as governor. For the privilege of having the
greatest job in the greatest state in America. And for the
opportunity to continue to make New Jersey an even better
place in which to live, work, and raise a family.

And that is just what I intend to do. With the support
of the people and the commitment of this Legislature, we
will continue to build on the successes of the past four
years. And believe me, we have succeeded. We have made a
difference.

It's not just the 225,000 new jobs -- or the fact that
they are good jobs, with New Jerseyans earning the third
highest wages in the country. It's what these jobs mean for

the families that depend on them.

It's not just our historic success in fighting crime -- or the fact that we've driven crime to a 23-year low. It's the sense of security that comes from knowing that our families are protected by the new and tougher laws we've put on the books.

It's not just the 115,000 acres of open space and farmland we've preserved. It's the satisfaction of knowing that our children and our children's children will be able to enjoy the natural beauty of New Jersey for all time.

It's not just the fact that we've cut the welfare rolls by a third. It's the knowledge that, in New Jersey, we put a premium on work and require it of those still receiving welfare.

It's not just the first-class facilities that are springing up in our urban centers. It's the certainty that our cities are coming back strong.

And it's not just the education standards we've put into place. It's the feeling of pride that we can give our children the knowledge to succeed anywhere in the world.

All of these changes are part of why the Children's Rights Council ranked New Jersey as one of the top ten states in which to raise a child.

And they show how much we can accomplish together. Without the hard work of Senate President Don DiFrancesco, Assembly Speaker Jack Collins, and majority leaders John Bennett and Paul DiGaetano, we would not have come so far so fast.

As Aristotle said -- and my parents actually used to quote this to me -- "Well begun is half done."

Ladies and gentlemen, we have begun well.

Now I want to answer the question, "What's next?" What are our priorities for the coming four years? What are we

going to do to make New Jersey an even better place in which to live, work, and raise a family?

I think our priorities are clear.

We have to make New Jersey more affordable. We have to make New Jersey's schools -- every one of them -- the best that they can possibly be. And we have to make sure that every home, every street, and every neighborhood in New Jersey is safe for the law-abiding people of our state.

Let's begin by reducing the cost of auto insurance and easing the burden of property taxes for the people of our state.

I promised during the recent campaign that I would vigorously address these issues in a new term, and that's exactly what I intend to do.

Let me start with auto insurance. It's no secret to anyone in this Chamber that New Jersey has the costliest auto insurance in the nation, \$50 more than the next highest state. The reasons are also clear.

We are the most urbanized state in America.

We have more registered cars and trucks per highway mile than any other state.

We tend to sue each other a lot.

And we pay a high price for fraud.

In addressing the high cost of auto insurance, we have begun well.

Last summer, we ended the practice of automatic annual rate increases -- and saved New Jersey drivers \$150 million in higher rates.

We put the brakes on unfair surcharges that were punishing good drivers for minor infractions.

We told insurance companies that the days of dropping good drivers for no good reason were over -- for good.

And we put real teeth into our fight against fraud. If insurance companies don't report suspicious claims, it will cost them \$25,000 every time, until they get it right. If doctors or other professionals cheat the system, it will cost them their professional licenses.

Taken together, all of these actions are saving New Jersey drivers money.

But clearly, we need to build on our good beginning. I've said it before and I'll say it again -- New Jersey will never have the lowest auto insurance rates in the country -- but that doesn't mean we have to have the highest.

This Legislature has formed a joint, bipartisan committee to complete the job, co-chaired by the Senate President and the Speaker.

This marks the first time in state history that such a high-level committee has been formed to tackle such a highly challenging problem. It's a good sign that we're not just spinning our wheels on auto insurance.

We're going after real reform.

We all know what that entails. Real reform will guarantee real savings. With real reform, every good driver will be able to afford car insurance. Real reform will minimize cost shifts to health insurance, and it will do all this without encouraging additional lawsuits. That's real reform.

I am encouraged by how much your committee has already done.

And I'm delighted with the commitment that the Speaker and the Senate President have given me -- to have a bill ready for my signature by March 30. We are united in our determination to address this problem -- and we will.

Of course, there's another important affordability issue that requires our full attention -- property taxes.

Property taxes in New Jersey are too high. The people expect us to bring them down. And while ultimate control still rests at the local level, we'll do all we can to hold the line on property taxes.

Here again, we have begun well.

We enacted binding arbitration reform, sponsored by Senator Pete Inverso, and streamlined municipal aid programs.

We absorbed the cost of the county court system and restored the property tax deduction on the state income tax, providing more than \$500 million annually in direct property tax relief.

We overhauled the Gross Receipts and Franchise Tax, which will provide up to \$755 million for property tax relief every year.

You proposed, and the voters ratified, the State Mandate/State Pay constitutional amendment, which has made us think twice before asking towns to take on any more state burdens.

Meanwhile, due to popular demand, we've expanded our Local Government Budget Review Teams. These teams have already shown 35 towns and school districts how to save property taxpayers as much as \$112 million.

And I've appointed a property tax commission, which will report back by August first with proposals to further control property taxes.

Our efforts have made a difference. During the past four years, property tax increases have been held to the lowest rate in 20 years.

But we are not done. There's more we can do to help get property taxes under control.

To begin with, it's about time we give local voters a voice -- a real voice -- in the property taxes they pay. Currently, the voters don't have that opportunity. I want to change that.

If a municipality wants to raise property taxes above the rate of inflation, the people should have a say. That's why I propose making those increases subject to voter approval.

If local officials can make the case for higher taxes, they should do it. If they can't, then they don't get their tax increase. Period.

Next, we have to give mayors and councilmembers the civil service reform they've asked for. Nearly 70 cents of every dollar spent in government goes to pay the salaries and benefits of civil servants. Yet we retain a system in which it's almost impossible to reward success -- or punish failure.

New Jersey is served by many fine public employees. Rewarding success is good for them, good for managers, and good for taxpayers.

Mayors have asked for civil service reform. Capable civil servants will benefit from it. And the taxpayers deserve it.

So, I'm going to begin by ordering two regulatory changes.

First, we will restructure our compensation system to be more in line with modern management practices. Pay raises and advancements should and will be based on merit over seniority, just as in the private sector.

Second, we will eliminate a practice peculiar to state government -- a practice known as "bumping." Currently, every time we try to replace a mid-level manager, we have to shift as many as ten other people, some of whom lose their jobs, even though they're doing a good job right where they

are. Only in government ... but no longer in New Jersey.

We also need to put an end to taxpayer-funded "golden parachutes." We've all heard of retirees walking away with checks for hundreds of thousands of dollars in unused sick leave. Let's limit the amount of accumulated sick leave that can be paid out to retirees by local governments. We just can't afford it anymore.

And then we should provide local government with greater flexibility in hiring.

For example, some states appoint all new state hires to non-civil service, non-unionized positions. This may go too far for our state. But I am prepared to sign legislation that would at least allow municipalities to opt out of civil service altogether. Let's put local officials back in charge of their local work force.

These steps will help reduce current costs and help keep them under control at the local level. Some of them are controversial. But I'm committed to giving local officials all the tools they need. And if they're as serious about controlling property taxes as I am, they'll use them.

There's one part of the property tax burden I haven't addressed yet -- the largest part: the part that pays for our public schools.

It's no secret that New Jersey spends more on education per pupil than any other state in the Union. It's also clear that we're not always getting what we pay for.

Of course, over the past four years we've done a lot to change that -- to improve the education we offer our children.

Again, we have begun well.

For the first time ever, we have established rigorous

academic standards that will ensure that every New Jersey student -- every one -- gets the education he or she deserves.

We've made New Jersey the only state in the union to test its students three times -- in fourth, eighth, and eleventh grades -- to ensure that they're learning what they should.

And I think it bears repeating -- New Jersey continues to be blessed with some of the best schools and some of the best teachers anywhere in America.

Of course, we've also been fortunate to have the service of two outstanding legislators, Senator Jack Ewing and Assemblyman John Rocco, who have done so much during their careers on behalf of our students.

As chairs of the education committees in their respective houses, they dedicated themselves to improving education in our state. I'm sure you'll all join me in wishing them well in the years ahead.

Our challenge is to continue to build on the good work of these two legislators. There is, after all, still more to do -- both to improve the education of our children, and to ensure that taxpayers get what they pay for.

I remember very well the feeling I had the first time each of my children went off to school. It's tough for parents, even under the best of circumstances, to send their child off to kindergarten -- to let go of that little hand as your child starts off on a big adventure.

It's even worse -- many times worse -- when you know your child's school isn't ready to give your son or daughter a good education.

I want every New Jersey parent to be able to send their child off to school with confidence and pride, both in their child and in their child's school. I do not believe that we can, in good conscience, continue to force parents to send their children to failing schools if a better choice is

readily available.

Right now, only two groups of people in New Jersey have the benefit of school choice. The first are those who can afford to send their children to private or parochial schools. The second are public school teachers, who can send their kids to schools in the districts in which they live or in which they teach -- whichever they choose.

I believe all New Jersey parents deserve the right to choose the public schools their children attend.

New Jersey is fast becoming a leader in the creation of innovative charter schools. And to supplement our Charter School program, the Comprehensive Educational Improvement and Financing Act, or CEIFA, authorizes the development of a public school choice program.

I call on the State Board of Education to adopt, by the beginning of the next school year, the rules governing this program and to have pilot programs ready to go. Then, by September 1999, public school choice will be a reality in every county in New Jersey. We shouldn't leave this century without it.

There are two other actions I am ready to take to improve accountability in our schools. The first is to reform -- and perhaps even eliminate -- tenure for public school principals.

Let me be clear, most of New Jersey's school principals are doing a fine job. And research shows that effective principals are the key to school quality. They set the vision for a school. They mobilize parents and teachers to pursue that vision. Where a principal has no vision, the children suffer.

So I believe it's time we match the enormous responsibility of a principal's job with greater accountability. Let's work together to reform principal tenure to create a system that guarantees fairness but expects results. Our children deserve nothing less.

In fact, there's something our children deserve more of -- more instructional time in their school day. It might surprise you to learn that schools are only required to provide four hours of instructional time each day. Four hours. Many kids spend more time than that watching television.

To be fair, most of our schools exceed that minimum requirement on most school days. But as our students prepare for the next century, we should ensure that learning is never just a part-time endeavor.

Children today have a lot more to learn than we did in school. I remember asking my daughter once why she hadn't done too well on a history exam. She explained, "Mom, there's a lot more history to learn now than when you were in school."

Yes, I have to admit that's true -- our kids do have a lot more to learn, especially with our new, rigorous academic standards.

That is why I am asking the State Board of Education to increase the minimum length of instructional time in a school day in New Jersey to at least six hours. Our students deserve to get the most from every school day -- both in the quality and the quantity of learning.

These proposals will help ensure that New Jersey's children are getting the best education we can provide.

But there's another issue that underlies any discussion about education and about property taxes. That's how we fund and organize public education in our state.

To begin with, I want to put an end to the frankly anti-democratic way we conduct school elections. The biggest item on everyone's property tax bill is education. And yet, only a tiny fraction of the public ever votes in their local school elections. The current system actually seems designed to discourage broad public participation.

School elections aren't held in June or November with

the primaries or general election, but rather in April. In many places, citizens cannot vote until after work, because the polls aren't open in the morning. Some can't get there at all. Then they're stunned when their property tax bills arrive.

That's just not right. We live in a democracy. And democracy only works if people participate.

Assemblyman Leonard Lance has introduced legislation that would move school board elections. I support his goal of increasing voter participation in these elections.

On average, three times as many people go to the polls in November as they do in April. And school board members are responsible for the largest part of your property tax bill.

That is why I believe we should move the election of school board members to November.

That action should be followed by moving the vote on school budgets as well. The eventual elimination of a separate school election will save taxpayers \$4 million a year statewide. And, more important, it will increase public participation in the process of electing school boards and deciding budgets.

Of course, there will be those who say it can't be done. Well, it won't be done overnight. But I believe we can overcome any obstacles that stand in the way of this common sense, taxpayer-friendly proposal. After all, the largest part of the property tax bill shouldn't be decided by the smallest part of the electorate.

As everyone knows, the cost of education is indeed the largest part of the property tax bill. Major property tax relief probably will not occur unless we find efficiencies in the way we operate our public school system.

Which brings me to a sensitive and difficult issue. Within the next several weeks, we will hear from the Regionalization Advisory Panel, established as part of

CEIFA.

This panel will call on the State to reduce the number of school districts and consolidate services among them. They believe that we need to take a good, hard look at whether maintaining more than 600 school districts is the best way to educate our children and the best way to use our education dollars.

In short, the panel would have us embark on a course that could eventually lead to the forced regionalization of some school districts.

We all recognize, from a policy standpoint, the enormous potential consolidation carries for reducing property taxes.

But we also know that the people of this state treasure the high degree of local control they exercise over their neighborhood schools.

I know where I stand on this issue. I have long opposed the forced regionalization of schools. Regionalization won't work if the people of New Jersey don't want it.

So it's time to find out how New Jerseyans feel about it. We need to discuss whether we're willing to give up some degree of local control of our school districts for significantly lower property taxes.

Our schools are so important. Their future should not be dealt with in a quiet little report. Any conversation about change should be soundly debated, fully in the public eye and with full public participation.

Governor Meyner once said that submitting important questions to the people makes for a "livelier, more responsive and more responsible democracy."

I agree -- and I imagine discussion on this question will really liven things up.

That is why I propose that we bring this debate to the

ballot for the voters' direct decision. Our goal is not to end the cherished practice of neighborhood schools and local control. It's to give the people a say in how we get control of school spending and how we make New Jersey a more affordable place in which to live, work, and raise a family.

New Jerseyans work hard for their money. We have to work harder to help them keep it.

There's one last subject I want to address today -- crime in New Jersey.

The most fundamental right of people living in a civilized society is the right to be safe from crime. That's why we've worked overtime to prevent crime and, when crimes have been committed, to punish criminals to the fullest extent of the law.

Truly, we have begun well.

We've graduated 400 new State Troopers in four years.

We've been single-minded in our determination to support our valiant men and women in blue, who are true heroes.

We've added tough new laws to the books like "Three Strikes and You're In," on which Senator Lou Kosco worked so hard, and "No Early Release," which Senator Bennett and then-Assemblywoman Diane Allen championed. These laws make sure no criminal escapes proper punishment.

And, of course, we can all take pride in Megan's Law -- a national model and the product of the special efforts of Senator Inverso and Assembly members Paul Kramer and Barbara Wright. The nation's highest courts have made it clear: the public has a right to know about convicted sex offenders in their communities.

And our efforts are paying off. Since 1994, we've put more criminals behind bars and we've increased the length of time they spend there. That's especially true for violent criminals, whose sentences are 13 percent longer than they

were just four years ago.

Clearly, these measures are making our communities safer and our families more secure. In 1996, crime dropped to its lowest level in 23 years. And our most recent statistics indicate, that if we keep up our good work, crime will continue to decline.

We have begun well, but we aren't finished yet.

I believe we should make it easier to keep still-dangerous sex offenders away from our children, even after they've served their criminal sentences. Under Megan's Law, we've already kept more than 80 such predators in civil commitment beyond their initial prison terms. We should expand that authority.

Senator Bob Martin has already done enormous good work on this important issue, and a Kansas statute to expand civil commitment was recently upheld by the U.S. Supreme Court. Let's enact a similar law here in New Jersey. Let's make it easier to keep sex offenders locked up and harder for them to prey on our children and families again.

We must also do more to better protect our neighborhoods from gun-toting drug dealers and drug users. What's more frightening than the thought of somebody high on drugs waving a gun around? How many more innocent victims have to be caught in the crossfire between drug dealers?

Let's make sure there are no more victims by enacting a harsher punishment for possessing a firearm while possessing illegal drugs.

All our tough crime laws are about the future. Today I promise that we will continue to be vigilant, to give law enforcement and our communities the tools they need, and to protect our citizens with laws that get criminals off the street and into jail cells.

After all, a safe state is a good place in which to live, work, and raise a family. I know that's a goal we all share.

By making New Jersey more affordable, better educated, and safer, we are continuing to create a New Jersey that all our citizens can be proud to call home.

Members of the Legislature: Over the next four years, we have the privilege to shape the future of a state that has been shaping the future of our nation since its earliest days. The Crossroads of the Revolution. The Birthplace of Baseball and the Electric Light. And the Entrance to America ... Ellis Island, New Jersey.

We can add to that legacy. We can make New Jersey the Best Place to Live in America. And we can do this by building on our record of the past four years. A record which shows that, indeed, we have begun well.

At this halfway point in my service as governor of New Jersey, it's wonderful to look back before launching full speed ahead -- maybe even at 65 miles per hour -- into my next term.

What I remember best from these first four years are the wonderful people I have met along the way. The young working mother who now has health insurance for her child. The new state trooper who is excitedly looking forward to a lifetime of service. The senior citizen caring for a grandchild after school. And the fresh-faced youngster fired up with the eagerness to learn.

These faces continually come to mind when I come to work here in Trenton. In everything I do, I strive to remember who I am working for: the men and women who've honored us with this public trust; the great people of the great State of New Jersey; the many faces that make up our one family; the future.

Thank you.

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