

# **The Philadelphia Inquirer**

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### **Christie: Will need Dem's approval for budget fixes**

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TRENTON - Gov. Christie said today he will need the Legislature's approval to finalize his budget fixes, a change from earlier indications that he had closed the state's \$2.2 billion budget gap using executive power alone.

Christie said he can freeze spending using his executive authority, but to shift some of that money and close budget holes, he needs approval from the Democratically controlled Legislature.

Democrats, however, have been at odds with Christie, saying he shut them out of the decision-making and criticizing his cuts as ones that would hurt the needy and lead to property tax increases.

Hours after Christie acknowledged he would need support from lawmakers, the Assembly Budget Committee began hearing more than eight hours of testimony, including presentations from educators, a blind teen, the mother of two disabled children and others, saying the governor's cuts would hurt programs they rely on.

"These are real people that are struggling with these issues," said Assembly Budget Chairman Louis Greenwald (D., Camden).

He said Democrats were waiting for information from the administration so they could try to come up with alternative ways to close the budget shortfall. One suggestion Greenwald made was spending the state's \$500 million reserve, though that would mean rebuilding the cushion in the next budget.

Until today, it appeared Democrats would be left out of the process of closing the current year's deficit.

But in a morning interview on NJ 101.5 FM, Christie said, "we will need some legislative help" to transfer money, "but I don't expect that the Legislature would act irresponsibly."

A memorandum prepared by the non-partisan Office of Legislative Services said that at least \$340 million of the budget shifts Christie has planned requires lawmakers' approval. Christie's office said they would need approval to move about \$390 million.

Christie's plan called for cutting \$1.6 billion of spending and saving around \$450 million from accounts that had more money than needed.

At the first hearing on Christie's planned reductions, 13-year-old Rocco Fiorentino, of Voorhees, said the cuts would have a tremendous impact on blind and visually impaired residents who rely on state-funded programs.

Fiorentino said he relies on vision devices and orientation and mobility instruction funded by the state every day.

"Cutting costs at all costs is not going to solve the long-term budget [problem] in this great state," Fiorentino said. "Think about the long-term effects."

Several school officials urged the lawmakers to reconsider spending cuts that they said would result in fewer teachers and staff or higher property taxes.

The Cherry Hill School District expects to lose about \$3.9 million in state aid in the current school year, which will directly impact the next year's budget, school officials said. They said they had set aside reserves last year, in the midst of the economic crisis, to be in better position for the upcoming budget. Now, though, they said they, and others, would be penalized for planning ahead, because Christie's cuts will hit districts that had built up surpluses of more than 2 percent.

Superintendent David Campbell testified the district anticipates that with a 10 percent reduction in state aid, it would have to cut about 173 employees from its payroll, on top of 63 cut in the current year.

Hospitals stand to lose \$12.6 million in state reimbursements for care for the uninsured, which will cost the same amount in matching federal funds for a total of more than \$25 million.

"Charity care is not a grant program, this is payment for actual care provided by New Jersey hospitals," said Elizabeth Ryan, president of the New Jersey Hospital Association. "We don't have the luxury of raising property taxes."

Republicans said Christie had made difficult, but necessary choices.

"The governor recognizes the pain this is causing, but taxpayers can no longer accept the status quo," said Assemblyman Jon Bramnick (R., Union). "The public wants answers not political posturing."

In a hint of spending reductions to come, Christie said today that school officials should plan for cuts of 5, 10 or 15 percent in the budget that begins July 1.

Christie spokesman Michael Drewniak said the administration hopes to keep aid flat, but that it will be difficult. Support for schools makes up 34 percent of the state budget.

"Considering the budget gap that we're facing, it would be impossible for education funding to go untouched at some level."

Responding to critics who have said a \$475 million school aid freeze will lead to higher property taxes as districts try to cover the loss, Christie said local leaders need to change their approach.

"Part of it is going to have to be a mindset change at the local level saying, just because state aid gets reduced doesn't mean you automatically go and raise property taxes," Christie said on 101.5. "Our state is in crisis, our people are broke ... this is not the time to be heaping more expense on the backs of the taxpayers."

Christie said he plans to give schools more "tools" to control costs locally, including health benefit reforms that might lighten the costs to school boards and changing arbitration rules.

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