

Opinion: Staying the course: The Christie budget address - NorthJersey.com

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IT TOOK the Democratic legislative leadership less than a half hour after Governor Christie's budget address last Tuesday to push back on his fairly impassioned — but undetailed — call for significant revisions in the state's public pension system.

It took Christie less than 24 hours after that to push back on the Democrats' dismissal of his warning that, if left untouched, the rising cost of pensions and health benefits would drive the state to the edge of insolvency.

While Democratic leaders pronounced the pension system in fine fettle as a result of the reform package enacted three years earlier, the governor took to his most cherished public forum — a citizens town hall gathering — to compare New Jersey's future to that of Detroit, a once thriving metropolis bankrupted by its public employee pension obligations.

If the Legislature failed to act, Christie — shedding the rather subdued and swagger-less demeanor which marked his legislative address — said he would take it upon himself to implement what he described as “extreme measures” to curb and control government's contributions to the pension and health benefits system.

He didn't define “extreme measures” and it's unclear what steps he can take without legislative approval to ease the impact on the state budget of the growing cost of public employee benefits.

Deciding the future

The struggle has been joined and, according to the governor at least, the outcome will decide New Jersey's future.

When Democrats swiftly rejected Christie's plea for the Legislature to revisit reforming the pension system, they argued that, so long as the state adheres to the payment timetable established in the 2011 legislation, it will be capable of sustaining itself by 2018.

Christie's threat of “extreme measures” has upped the ante and created the potential for a prolonged stare-down with Senate President Steve Sweeney, D-Gloucester. Sweeney not only led his party's rapid rejection of the governor's recommendation but, a week earlier, pledged to shut down the government by refusing to adopt a budget if it did not include the state's full payment into the fund.

The administration's proposed fiscal year 2015 budget appropriates \$2.25 billion — an unprecedented sum — to the pension system.

Sweeney reminded the governor that the reform legislation of 2011 repre

The row over the pension issue has effectively guaranteed that scant attention will be paid to the remainder of the governor's \$34.4 billion budget recommendations.

Abandoning idea of tax cuts

By all accounts, it is a stay-the-course budget with no major new programs and no dramatic spending increases or reductions. Despite early speculation that the governor would propose a tax cut — a staple of his legislative agenda throughout his first term — he abandoned the idea this year, an omission construed
