



January 22, 2010

N.J.'s new governor gets tips on slashing costs

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Associated Press

TRENTON — Gov. Chris Christie's transition team has finished its review of state agencies and authorities and is recommending sweeping changes to shrink the size of New Jersey government and save money in the face of a projected \$9 to \$10 billion deficit for the 2011 budget year.

The review, consisting of 19 reports submitted today by the 21 transition team subcommittees, suggests consolidating several agencies and authorities and eliminating others.

Among the highlights are suggestions that the state stop subsidizing horse racing and its public television station; that a sales tax holiday be enacted to spur consumer spending; and that affordable housing requirements be relaxed.

"These reports are full of bold ideas and recommendations for change from a bipartisan group of individuals from the private and public sectors," Christie said in a statement. "In the coming weeks, my Cabinet and I will be consulting with subcommittee members, reviewing each of the reports, and carefully considering these recommendations for improvement and change."

Among the findings and suggestions:

- **Transportation:** Recommends consolidating and downsizing many authorities, halting all long-term projects that don't deal directly with safety or consumer use and requiring salaries for Authority chiefs to come in line with state workers. Currently, 27 authority heads make more than the governor.
- **Gaming:** Create a public/private venture to market Atlantic City as a destination resort; reorganize the Sports and Exposition Authority's financial structure; restructure the horse racing industry — projected to lose \$22 million in 2010 and facing a \$38 million deficit; privatize the lottery.
- **Corrections:** Recommends increasing prison space by double-bunking inmates and diverting nonviolent drug offenders to community programs.
- **Taxes:** Recommends a sales tax holiday to spur consumer spending, as 16 other states have already done.
- **Housing:** Recommends doing away with the Council on Affordable Housing, the agency that determines how much affordable housing towns and cities must provide.
- **Community Affairs:** Suggests more accountability for the billions in municipal aid that the Community Affairs department oversees, including having the Treasury Department enforce compliance.

Many suggestions would require action by the Democratic-controlled Legislature.

Pete McDonough, who worked as a spokesman for former Gov. Christie Whitman and was a member of Whitman's and Gov. Tom Kean Sr.'s transition teams, said the reports are invaluable for quickly identifying the issues Christie's new commissioners will face.

How many of the recommendations get implemented rests with the new commissioners and the governor, McDonough said.

"A lot of these policy recommendations will be put on the 'to-do' list," McDonough said. "The governor will have to consider how they all fit together, and what priorities are top priorities."

Some will become essential because of the state's fiscal constraints, while others will have to be postponed for

the same reason, he said.

"This is the start of the process, not the end," said Ingrid Reed, director of the New Jersey Project at Rutgers University's Eagleton Institute of Politics.

She commended recommendations that involve upgrading technology and modernizing management, two areas where New Jersey lags nationally.

Bill Schluter, a former Republican state senator and current State Ethics Commission member, said Christie will have to remain a forceful leader if he is to get any of the sweeping changes enacted.
