

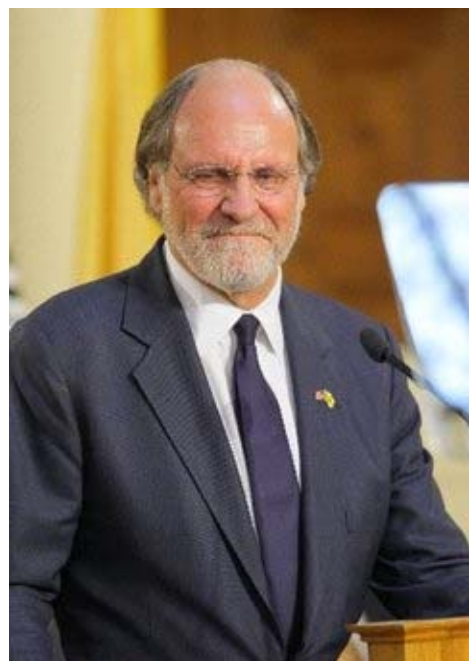


Everything Jersey

## Property-tax cap loopholes show the hypocrisy of the consolidation crowd

By Paul Mulshine/The Star Ledger

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The Star-Ledger

Jon Corzine: Like the other Trenton pols, he was a total hypocrite on municipal consolidation.

Read this **excellent article** by Claire Heiningen on the way the Corzine crowd permitted municipalities to get around the state tax cap and you will understand what a bunch of hypocrites the Trenton pols are.

The politicians of both parties love to say they want municipalities to merge and/or share services.

They don't mean a word of it. The instant there is any pressure to save money by doing so, the pols make it possible to raise property taxes. An excerpt:

Nearly a third of the state's 566 municipalities raised property taxes above the cap with the state's permission last year, many because they were able to show they were facing virtual civic dysfunction, a Star-Ledger review shows. Through hundreds of pages of applications asking to exceed the cap, school and town officials spared no adjectives when describing what would happen without relief: The police force would be cut. Special education aides would be fired. Fire hydrants would not be installed.

"Impossible" one town said of the budget it would produce under the cap. "Catastrophic" disruptions to basic services, warns another

Obviously, if the Corzine crowd had been serious about municipal consolidation, they would have kept the caps in place and told the towns to make arrangements with each other to lower costs. But here's the rub: The only way to lower costs is to lay off employees. And Corzine's goal in office was to hire more public employees, not lay them off. That's the same for most Democrats and a disappointing number of Republicans as well. Christie Whitman was as bad in this regard as the Dems. After almost losing the 1997 election on the property tax issue, Whitman declared that she "got the message." She then began an effort to start preschools in every district in the state, an effort that Corzine was only too happy to continue. Only the lack of revenue thwarted it. But what did Corzine really mean when he pushed consolidation? He meant he wanted to raise taxes for the residents of "tax troughs." I had never heard that term until I wrote about the way in which **the Corzine crowd** imposed a new formula that doubled taxes for the residents of the small town of Loch Arbour in Monmouth County

The people in the Monmouth County community of Loch Arbour made the mistake of taking this seriously. Ten years ago, the town fathers cut a deal with neighboring Ocean Township that was the very model of efficiency. Ocean Township would provide police services and school services for Loch Arbour.

In return, Loch Arbour would pay Ocean Township an annual amount that was acceptable to both towns.

It was a win-win situation. So naturally the Corzine administration had to step in and turn Loch Arbour into a loser.

That action came last year with Gov. Jon Corzine's signing of what was supposed to have been his signature property-tax relief bill, the School Funding Reform Act.

Hidden in that bill's 113 pages was a provision that abrogated the contract between the two towns. Instead of sending an annual payment to Ocean Township amounting to about \$14,500 per pupil, Loch Arbour would now be charged on the basis of its total ratables.

And since Loch Arbour is an oceanfront town with many summer homes and few schoolchildren, the annual payment will rise overnight from a little more than \$300,000 a year to more than \$1.6 million a year.

Some liberal commented that Loch Arbour residents deserved the hike because the town is a "tax trough," i.e. that it is run so well that taxes are low. To liberals, it makes perfect sense to annex such a place to a town that is not run so well. And that's what Corzine did.

And that's what most Trenton pols mean when they talk about consolidation and property taxes.

As for our new governor, I've yet to hear his property-tax plan. He promised to release it over a year ago, but so far not a peep. Will he waive the caps so towns won't have to lay off employees?

We shall see.

And we shall see soon. Christie's budget address is a week from Tuesday, and we will finally hear what if anything he plans to do about property taxes.

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