

The Christie Effect

Mayor Eldridge Hawkins Jr. again found his way onto the pages of many newspapers in New Jersey when he joined with state legislators in a photograph taken as Gov. Chris Christie signed bills to adjust the state's pension and health-benefit plan in an effort, most said, to help governments stabilize employee expenses.

As chairman of the Management Reform Committee within the New Jersey State League of Municipalities, Hawkins made himself into a statewide public figure in the discussions. He spoke to legislators and media that the reforms were necessary to combat the ever-increasing cost of employee compensation to governments which had limited fiscal resources.

The Orange mayor then did something inexplicable, he criticized Christie for reducing potential municipal funding, a move the governor made for the same reasons he wanted health and pension reform: to save money.

When Christie received the state budget after it passed the Legislature, he used a power few governors nationally receive: the line-item veto. Among the more than \$1 billion in items for which funding was reduced or eliminated was supplemental aid for municipalities and law enforcement, and Urban Enterprise Zone money. Such cuts may have been too much for Hawkins, who has shown in the past to treat state funding as an entitlement.

- In previous years, Orange was a regular receiver from the state's Extraordinary Aid fund, which was merged with other funds last year to create one Transitional Aid fund. It was reduced by Christie from \$149 million to \$10 million.

- Orange was one of the original Urban Enterprise Zone programs, whose businesses could charge one-half of the state's sales tax and use the proceeds to improve commerce within the zones. After the governor and Legislature agreed for the state to keep revenues collected during the 2011 fiscal year, Democrats tried to restore \$47 million, but that was chopped from the budget by Christie.

- The city also was a recipient earlier this year of a portion of special police aid, which was given to departments in municipalities with crime rates above the state average. That fund, proposed at \$50 million, also met Christie's ax.

Hawkins first expressed his frustration with Christie during Orange's 2011 budget proceedings. He condemned the governor, unfairly, of "taking" \$1 million in UEZ funds and \$500,000 in Extraordinary Aid he presumably expected the city to have, though there were never any guarantees. Hawkins continued those comments after Christie's vetoes, specifically targeting the loss of UEZ and police funding.

Like many Democrats who contributed, at great political risk, to Christie's efforts at benefits' reform, it would seem Hawkins expected Christie to reward them for their assistance. But the governor's actions were taken for the same reason Hawkins said such reforms were necessary: the taxpayers no longer could afford large increases in government spending — and aid to municipalities is part of that.