

SERIES: Caucus: New Jersey with Steve Aduato
TITLE: Democracy Works: Business Roundtable
SHOW #: 2131
TIME: 26:42

Interview: PSEG corporate responsibility director John R. Smith, Berkeley College Chairman Kevin Luing, Jingoli & Son Inc. business development director David M. DelVecchio, and Chilton Memorial Hospital President and CEO Deborah Zastocki speak about doing business in New Jersey

Mr. FRANK McDONOUGH (President, New York Shipping Association): There is more to the Democratic process than campaigns and elections. As citizens, it is our responsibility to understand the key issues affecting life in our state. Hi, I'm Frank McDonough. We're proud to support DEMOCRACY WORKS because it helps make sense of the complex issues that matter most to the people of New Jersey and the nation. Thanks for watching.

STEVE ADUBATO, host:

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ADUBATO: Welcome to DEMOCRACY WORKS, a very special series offering comprehensive coverage of the many challenges and pressures facing our state and national leaders. I'm Steve Adubato.

Now, here to talk about what business leaders want to talk about and how the state policies impact the business community are David DelVecchio, director of development for the construction firm Jingoli & Sons--David is also the mayor of Lambertville, New Jersey--John Smith, director of corporate responsibility for PSEG; Deborah Zastocki is president and CEO of Chilton Memorial Hospital; and finally, Kevin Luing, chairman of the board of Berkeley College.

Seven campuses in and around the New York, New Jersey metropolitan area, right?

Mr. KEVIN LUING (Chairman, Berkeley College): Correct. Four in New Jersey, three in New York.

ADUBATO: Good stuff.

All right, let's just get right to it. I mean, this is--someone might say, you know, 'Why are you guys in DEMOCRACY WORKS looking at the business community?' But we had one of these discussions several months ago, Kevin, and I said, 'Well, wait a minute. State policy, state regulations, or the lack thereof, has--tax policy--has direct impact on the business community.'

Right out of the box, the most significant impact, the greatest concern you have about state activities as it relates to this business community is?

Mr. JOHN R. SMITH (Director, Corporate Responsibility, PSEG): Taxes. I think that's really the problem here in this state. Businesses pay 30 percent of the taxes and New Jersey is the highest--in terms of business taxes, the highest state in the nation.

ADUBATO: Oh. Highest state taxes--highest business taxes of any state in the nation in New Jersey?

Mr. SMITH: Right.

ADUBATO: Why is that?

Mr. SMITH: Well, because--primarily because the legislators enacted a lot of these onerous taxes, small taxes. Give you an example. More recently, I guess limousine drivers--small business, right?

ADUBATO: Yeah.

Mr. SMITH: They were imposed an additional tax, 7 percent, that limousine drivers in New York don't have to pay. Now New York drivers are coming to New Jersey to pick up Jersey folks and they don't have to pay the same taxes.

ADUBATO: How does that impact business?

Mr. SMITH: Well, naturally, the price of--the price of the ride is going up and now people are looking to elsewhere, in other states even. If you can call up to New York and get a ride to Kennedy Airport cheaper, you're going to do that. This is one small example.

ADUBATO: So just tax policy is big.

Mr. SMITH: Big.

ADUBATO: OK, let's talk...

Mr. SMITH: That's one small example.

ADUBATO: And I got you. But it--but not for those limousine drivers, it's not small.

Mr. SMITH: Right.

ADUBATO: Tax policy is one area. Let's talk transportation.

Kevin, you've said that it's very important to put the right amount of state money into the infrastructure, into our transportation system. Now, you, with all the campuses that Berkeley has, you've got one right around the corner where we're taping in Newark. Public transportation is critical. What's the problem there?

Mr. LUING: Well, I think the problem is, is it's difficult to get from, let's say, northwest New Jersey to northeast New Jersey. There's certain roads that are fine, but once you have an accident and that gets clogged up, then who--where do you go?

ADUBATO: That's a state issue?

Mr. LUING: Depending on whether it's a state road or what type of road it is. I just think for New Jersey residents, you want to be able to get to your home and get to your business as quickly as possible. And when your employees are late, or in our business, if our faculty aren't there and the students are there, well, that's an issue.

ADUBATO: So for you, when you're make--this is interesting. When you're making strategic and/or operational, financial decisions, as well, as to where to locate and where not, one of the issues you consider, beyond tax policy for business, is does the public transportation system support our needs? And if it doesn't, you've got to think twice about that, right?

Mr. LUING: Right. Now, that's huge. That's one of the main reasons we came to Newark, because of the fantastic infrastructure in Newark with transportation between the airport, the railroad, the light rail that just came in and the bus system, that we were able to pick a location where you can walk to the bus, walk to the light rail and walk to the train, all within two blocks of the campus here. And I think getting students in and out, getting faculty and staff in and out, that's the way to go.

ADUBATO: Critical stuff. Again, this is all not simply the governor, Governor Corzine. By the way, depends upon whether you're watching this

program before or after November 15th. We have the governor on for a live one-hour call-in with our sister station in New York, WNET, Channel 13. And we'll be simulcasting it across the state live, call-in for an hour. Make sure you logon to our Web site and ask questions beforehand. We'll get them to the governor.

Dave, now, you have experience--Deb, I'll come to you in a second--you have experience both in the private sector with Jingoli & Sons...

Mr. DAVID M. DELVECCHIO (Director, Business Development, Jingoli & Son, Incorporated): Sure.

ADUBATO: ...plus, you're the mayor...

Mr. DELVECCHIO: Yes.

ADUBATO: ...and you have some experience in state government.

Mr. DELVECCHIO: Yes.

ADUBATO: What do you say to people who say, 'This is a tough place to do business in New Jersey because of state policy'? You say?

Mr. DELVECCHIO: I would say that we have to work on getting the public sector to respond to the private sector in a very uniform way.

ADUBATO: For example?

Mr. DELVECCHIO: For instance, if you're--if you watch a baseball game, you have an umpire calls a certain way, as long as that ump is consistent, then people know how to respond.

ADUBATO: Right.

Mr. DELVECCHIO: So I would say consistency and responsiveness from the public sector is the most important thing. If we get an answer back quickly, then we go to plan B. But if we don't--if the answer is short--is long in coming, then, obviously, that affects...

ADUBATO: Give us a for instance. You're trying to do a project and you want to build, you want to develop, you want to do something that's good as long as it's--environmentally it's the right thing to do...

Mr. DELVECCHIO: Sure.

ADUBATO: ...which has to do with ratables and it's good for the economy. You deal with--is it the Department of Environmental Protection?

Mr. DELVECCHIO: We deal with the Department of Environmental Protection...

ADUBATO: What might happen that causes a problem?

Mr. DELVECCHIO: Well, you have a time period for anything you submit and then that time period--at the end of the time period you get comments back that, you know, 'You have X, Y and Z still to do,' as opposed to, you know, right from the start, someone being able to get back to you quickly and saying that, you know, 'You need to do X, Y and Z to make this complete and to move

the project forward.'

ADUBATO: How long could it actually drag on?

Mr. DELVECCHIO: Depends on the project. It could be a long time. The other thing is in local government, you know, building inspectors, for instance. If we're in the construction business, if they're not out on a site on a regular basis and if they're not able to keep up with your project, that's money we lose. You know, if you're building a project and you're going along and if they can't inspect that as quickly as you're building, then they're holding up the project.

ADUBATO: Could that affect decisions that the business makes as to whether they want to do business in the state or not?

Mr. DELVECCHIO: I'm sure it could. I'm sure it could.

ADUBATO: Move to the health care field.

Ms. DEBORAH ZASTOCKI, RN, MEd, FACHE (President & CEO, Chilton Memorial Hospital): It's a challenging one, and I would say regulation is one of the most challenging that we face.

ADUBATO: Such as?

Ms. ZASTOCKI: The hospitals are under certain regulations, and yet many of the physicians and others are doing entrepreneurial adventures, such as ambulatory surgery centers or plastic surgery centers or those types of individual physician-owned centers, and they are not held to the same standards or regulation that the hospital is. And so what happens is that the hospital has a whole host of standards to adhere to, is responsible for taking everyone who is uninsured, whether they have ability to pay, and...

ADUBATO: How do you get reimbursed?

Ms. ZASTOCKI: Well, there is a charity care system that really is rather broken in this state and hospitals are not uniformly reimbursed. We are reimbursed about \$440,000 for the over \$2 million worth of charity care.

ADUBATO: How do you make up the difference?

Ms. ZASTOCKI: Well, it's difficult to make up the difference because the more profitable, independently owned centers are taking all of the higher-paying patients and then the hospitals are really left with patients who are underinsured, uninsured, 24-hour-a-day, very complex, medically serious patients.

ADUBATO: Is that a New Jersey thing?

Ms. ZASTOCKI: It's very serious in New Jersey. It's happening...

ADUBATO: Excuse me, worse so than in other parts of the country?

Ms. ZASTOCKI: Yes.

ADUBATO: Really?

Ms. ZASTOCKI: Actually, New Jersey is--and I'm sure everyone's aware of the newspaper clippings, and I think since nine--since 2006, we had 17 hospitals close in the previous 10 years, and we already know we had one close this year already and we have three that have declared bankruptcy. Another one's close to bankruptcy. So...

ADUBATO: Medical malpractice big issue. Particularly in the high-risk fields, we're losing some docs.

Ms. ZASTOCKI: Medical malpractice is very much so, and that's really going to affect, I think, the care given to citizens of New Jersey because obstetricians and neurosurgeons don't want to practice here. So they're leaving the state and we can't recruit them.

ADUBATO: Oh, come on. Where's the silver lining here? Come on, there's got to be some--you're here. You're here. You're here. You guys aren't going anywhere.

Mr. SMITH: No.

ADUBATO: So where's the silver lining here?

Mr. DELVECCHIO: No, with all that, this is still a great state.

Mr. SMITH: Right.

Mr. DELVECCHIO: I mean...

ADUBATO: Well, what makes it a great state then?

Mr. DELVECCHIO: Its people. I mean, this is such a diverse state. It's got--it's got--you know, it's got the beach on one end. Where I live, it's got the Delaware and what that offers. On the other end it's got the--it's got rural areas, it's got farm areas, it's got cities. You know, it's a very diverse...

ADUBATO: But that's not about government. That's about the nature of the state and the people who live in it.

Mr. DELVECCHIO: That's true.

ADUBATO: Is--are you saying that, in some ways, you overlook some of the challenges of dealing with government, be it tax policy or reimbursement or not moving on a transportation project or how long a delay takes with a permit, because of the people and some intrinsic quality of the state? Is that what makes doing business in New Jersey great? Is that what it is?

Mr. SMITH: Well, Steve, even--it's more than that even. From a business standpoint, why would a business move to New Jersey? Well, I'll tell you one of the reasons why from my standpoint. We provide safe and reliable energy. OK, that may not seem important, but I was just talking before...

Mr. DELVECCHIO: It's important when the lights stay on.

Mr. SMITH: That's correct. I was just talking before with another colleague about how they've had poor service in certain parts of the state. But within a certain area, as a matter of fact, the corridor between New York and New

Jersey, you know, you get safe and reliable energy.

ADUBATO: Big deal.

Mr. SMITH: Big deal for a manufacturing company, for any business, OK, that relies on good electric energy at any given time. So, I mean, that's one thing. Same thing with gas, OK?

ADUBATO: Give me another big one.

Mr. SMITH: Another big...

ADUBATO: Is it the work force? Does New Jersey have a great work force?

Mr. SMITH: Yes.

ADUBATO: A talented...

Mr. DELVECCHIO: An educated work force.

ADUBATO: ...educated work force?

Mr. SMITH: That--you know, I was just...

Mr. LUING: And diverse.

Mr. SMITH: Yes.

ADUBATO: And diverse.

Mr. SMITH: Right.

ADUBATO: We'll come back to you on that.

Go ahead.

Mr. SMITH: I was just talking to Kevin--right here in Newark, for instance, OK, several colleges, universities, right here in Newark, and they're producing quality students. Now, the trick is for New Jersey to keep those students here.

ADUBATO: That's right.

Mr. SMITH: And as a corridor along--I guess down in Princeton it's a high-tech area that's being developed.

ADUBATO: That's right.

Mr. SMITH: And if we can keep those students here in New Jersey and bring--attract others to New Jersey, that's an area that would be growing here in New Jersey, OK? And of course, it would...

ADUBATO: Well, better watch out for the traffic there on Route 1, which we'll talk about in a second.

Mr. SMITH: Right.

ADUBATO: But come back to you, Kevin. Talk about the work force. You said diverse. And let's make it clear, both of you have strong affiliations with one of the business groups that we work with, the Bergen County-based organization that you're both affiliated with is...

Mr. SMITH: Commerce and Industry--Commerce and Industry Association of New Jersey.

Mr. LUING: Commerce Industry Association.

ADUBATO: Which is dedicated to promoting business, which is dedicated to dealing with these issues. Talk about the work force and what makes it so great.

Mr. LUING: Well, I think that's one of the strategic advantages of New Jersey, is having this diverse work force, not only in terms of ethnicity but also in male/female gender, in the different age groups that are available in New Jersey. For example, our students are about a third Hispanic, a third African-American and a third white, and we're in an innovation information society right now and studies have shown that the more diverse the group is at your company, when you're working in teams, that they're all bringing their own background, their own ideology, and that's where you get these great ideas. If everybody's coming with the same background and thinking the same way, you're not going to get these great ideas.

ADUBATO: So no disrespect to Idaho, but the question is that you may get more diverse, varied ideas because the work force in New Jersey is by nature so diverse. And you may not get them--again, Idaho--we don't air out there, so it's OK. But you get my point.

Is that true in the health care field, as well?

Ms. ZASTOCKI: Actually, we do have a very great educational system in New Jersey, so we're producing a great many workers. The bad news is health care is not seen as desirable for people entering the field because there are so many other great technological opportunities for them. And if you remember, most of the literature speaks to the fact that most of the nurses are in their 40s and they will be retiring, and there's a concern that there will not be enough of the nurses to be entering the work force to replace the numbers that will be retiring.

ADUBATO: Deb, if the state of New Jersey really wanted to take on--and we have a partnership with--actually, with Johnson & Johnson and some other corporations we're working with in terms of promoting nursing and nursing education.

Ms. ZASTOCKI: Yes.

ADUBATO: If the state wanted to be really aggressive in promoting nursing and dealing with some of the issues that the nursing profession is facing, which is a huge piece of the health care field, what would the state do?

Ms. ZASTOCKI: I think help to identify cooperative programs. We took our initiative with a local community college and each one of the three hospitals in our county actually contributed \$80,000 to be able to provide faculty to start more nursing programs.

ADUBATO: Because nursing faculty is--there's a big shortage there, as well.

Ms. ZASTOCKI: Yes. And actually they're aging, as well, and they're in their later 40s and 50s and so there's going to be a concern that there will not be not only enough students entering the field but not enough faculty to be able to handle the students who may want to enter the field. So I think promoting opportunities for more faculty in nursing and more support for educational institutions to have nursing programs.

ADUBATO: Dave, let me ask you. You've also--because we have known each other for a very long time...

Mr. DELVECCHIO: Sure.

ADUBATO: ...and you ran for the United States Congress and came this close to being elected...

Mr. DELVECCHIO: Yes.

ADUBATO: ...and have been an elected official for a long time and served in state government and know Jon Corzine well. There are many people who believe that because Jon Corzine came out of the world of business, at Goldman Sachs, that he would have a particular sensitivity to businesses, business leaders and the challenges and problems they face. Has it played out that way?

Mr. DELVECCHIO: Well, I think they're working on it. I think they have an office under Gary Rose, the Office of Economic Growth, and they are trying to get that...

ADUBATO: They meaning the Corzine administration.

Mr. DELVECCHIO: Exactly. They're doing some things like the Energy Master Plan, which I think is the first time that I recall that the state has actually adopted...

ADUBATO: What does that actually mean? Translate that in English, the energy master plan. What is that? A plan--it sounds kind of, you know...

Mr. DELVECCHIO: To--no, to really look at our future and to make sure that we have the energy necessary to meet those growth needs.

ADUBATO: OK.

Mr. DELVECCHIO: So I...

ADUBATO: So they have not--so far haven't raised the corporate tax rate since the governor has been in.

Is that fair to say, John?

Mr. SMITH: It's fair to say.

ADUBATO: Why are you--why are you making a face like that?

Mr. SMITH: (Laughs)

ADUBATO: It hasn't been raised.

Mr. SMITH: No, it hasn't been raised. That's true.

ADUBATO: OK.

Mr. SMITH: But since...

Mr. DELVECCHIO: But, John, you would agree, though, the Energy Master Plan is a significant step for the state.

Mr. SMITH: Yes. I would definitely agree to that. But I think some of the goals...

ADUBATO: If the governor wanted to do more, what would he do?

Mr. SMITH: In terms of?

ADUBATO: Dealing with the business community, improving the business climate. Can't do it alone. There's a legislature, as well.

Mr. DELVECCHIO: Well, I think they are working on it. Like I said, the Office of Economic Growth, that's supposed to be one-stop shopping to help businesses with their issues with all the various entities in state government. So they are trying to put in place programs and concepts that--to really help.

ADUBATO: David, I appreciate what you're saying, but as we face, once again, a huge, massive structural deficit of several billion dollars...

Mr. DELVECCHIO: Yeah.

ADUBATO: ...and the governor and the legislature, hopefully, together are trying to figure out how to close that gap, how creative can state government be?

Go back to your area. Go back to your area, Kevin. How creative can state government be to say, 'Yeah, you know what, we need to improve the public transportation system in and around certain communities, whether it's related to Berkeley or Chilton or wherever, to move people around'? They may want to do it. They may have a great master plan to do that, whether it's energy or transportation. There's no money to do it. Fair assessment?

Mr. LUING: Got to get--got to get business involved. There's got to be a public-private partnership and getting everybody involved and creating incentives for businesses to be involved. Let's be part of the solution and not just sit back and say, 'Hey, we got a problem here.' But let's work with the government.

ADUBATO: What does that really mean, though? Break that down a little bit for us?

Mr. SMITH: I got to say that I agree with what Kevin's saying, but I also think that our state government has to run like a business also. And they're going to have to make some of the tough decisions in terms of cutting--just like if you have a business and you're not making the money, you've got to cut your employees and you've got to cut certain benefits in certain cases. So I think the governor is going to have to take a good look at that. I mean, and

it's not just him, but previous governors haven't really taken those steps to really cut the number of employees within the state.

ADUBATO: Excuse me, John, but what does that have to do with dealing with the business community?

Mr. SMITH: Well, it will reduce some of the taxes that ultimately we have to pay also. And not just for us, but for everyone, OK?

ADUBATO: So let's be clear, it's one thing to talk about business taxes, but if in fact the taxes that your employees are paying are seen as onerous, egregious...

Mr. SMITH: Mm-hmm.

ADUBATO: ...I mean, they can't handle it, it's just overwhelming, then your employees may be pushing back, saying, 'Well, I want to live in Pennsylvania.'

By the way, you're on the border of Pennsylvania?

Mr. DelVECCHIO: Yes.

ADUBATO: What do you see there, David? Do you see people saying, 'I want to live over there'?

Mr. DelVECCHIO: You do see a lot of that. Matter of fact, you do see--when McGreevey was the governor, I spoke to him about the need for a reciprocal agreement with Pennsylvania and New Jersey to stop some of the movement from people to Pennsylvania who still work in New Jersey. For instance, if you work in New York, you pay taxes--and you live in New Jersey, you pay taxes where you work. With New Jersey and Pennsylvania, you pay taxes where you live.

ADUBATO: So we--wait a minute. Hold on. An employee living--a New Jersey-based employee, an employee who works in a New Jersey company but living in Pennsylvania, pays taxes in Pennsylvania.

Mr. DelVECCHIO: Correct.

ADUBATO: We don't get the revenue.

Mr. DelVECCHIO: Correct.

Mr. SMITH: Mm-hmm.

ADUBATO: But that doesn't make sense.

Mr. SMITH: But that's what's happening.

Mr. DelVECCHIO: And that's what's happening. So I think that tax policy does--has something to do with the movement of people across the border.

ADUBATO: OK. That's a concrete move, OK? Let's talk more about concrete moves. Instead of just complaining about things, we're trying to find the silver lining.

But I ask you again, Deborah, if the state government--again, Jon Corzine is

the governor. He's not the emperor, he's the governor. He's got a legislature to deal with and a huge state bureaucracy. John says cut the size of government.

`Lay off some people,' I hear you saying. `Cut back on some benefits,' I hear you saying, `and your tax burden may not be as great.' That's what I heard you say.

Mr. SMITH: That's correct.

ADUBATO: What else could state government do if they wanted to be helpful to the hospital community?

Ms. ZASTOCKI: Well, there is a commission now, which is the Rationalizing Health Care Commission, and...

ADUBATO: There's always a commission.

Ms. ZASTOCKI: ...we have--we would appreciate more information about--although we understand the report's coming out this fall, we would certainly like to understand and have some input into that report because...

ADUBATO: Let's translate that. Sorry for interrupting, Deborah. That is very similar to what people may know as the rate--the base commission that was established...

Mr. DELVECCHIO: BRAC.

ADUBATO: The BRAC, the--which is an acronym for...

Mr. DELVECCHIO: Base closing.

ADUBATO: I knew you'd know that. The whole idea is the federal government couldn't figure out which military bases to close, and so they created a commission to say, `Well, this one's got more activity. This one has greater impact on the economy. This one doesn't have a lot going on.' A similar operation, a commission was set up in New Jersey...

Ms. ZASTOCKI: Yes.

ADUBATO: ...to propose which hospitals should close, and you're saying you're not a part of that?

Ms. ZASTOCKI: It's really a very private, private event and just the commission people are on that, so we don't know what's going to be happening there. And so we did receive information about the methodology, but I do believe that there could be a much closer working relationship with the health care leaders in helping to plan some of these issues and also to really work with us so that we do have, I think, better planning about regulations that are being proposed, so that there's a level playing field so that the health...

ADUBATO: What does that mean, "level playing field"?

Ms. ZASTOCKI: Well, when we spoke about those independent organizations that are doing some of these ambulatory surgery centers and what have you...

ADUBATO: Right.

Ms. ZASTOCKI: ...that they should also be required to have their fair share of providing care to people who are not able to pay and to have a fair share of that uninsured burden that the hospitals are forced to carry.

ADUBATO: What you're saying is Chilton has a tough time getting into the black if you're going to be forced to take care of people whether they have insurance or not, but a competitor may not be a "hospital" but may provide the same service. They're like--I hate to use the term "cherry-picking"...

Ms. ZASTOCKI: Yes.

ADUBATO: ...but they can cherry-pick.

Ms. ZASTOCKI: That's exactly the term.

ADUBATO: That doesn't make sense, right?

Kevin, that doesn't--I know you're not in the health care field, but just from a business point of view it doesn't make sense.

Mr. LUING: No, it doesn't make sense at all to do that.

ADUBATO: Talk about your field. One action the governor could take--again, I know you're big on promoting--by the way, you're big on promoting telecommuting.

Mr. LUING: Right. I was going to say--and I'm not sure how the government can help, but as far as helping against the transportation issues, that telecommuting, people working at home, flexible work schedules...

ADUBATO: Fewer people on the road.

Mr. LUING: ...but also distance education. There's a lot going on with--through the Internet with distance learning, full degrees that are offered online. We have a number of students that don't set foot on campus. They take all their courses online. Or what's becoming more common are students that may be on campus two days a week instead of four days a week and then they take a couple courses on campus, couple courses at home. So that reduces the traffic, as well, and it's more convenient for them to be able to take the courses online.

ADUBATO: And talking about public-private partnerships, while the state is attempting to provide the infrastructure and that investment while the budget crisis exists, one of the things that a business can do is say you don't have to come--not that you don't have to work, but you don't have to physically be here.

David, jump back in. We have two minutes left. What--two minutes left, round--I feel like some--one of those sports shows.

Offscreen Voice: Sure.

ADUBATO: We have two minutes left, jump in. What have we missed?

Mr. DELVECCHIO: Well, I think, you know, John talked about taxes. If you

don't talk about property taxes, you're talking about the pile in the rug that everyone's ignoring. And that's obviously the most onerous thing.

ADUBATO: How's that a business issue?

Mr. DelVECCHIO: Well, it--because residents pay it and people who own businesses pay it. So, obviously, it affects everyone in New Jersey. And, you know, it's the most onerous of taxes and it's the most unfair taxes.

ADUBATO: You don't see it going down anytime soon.

Mr. DelVECCHIO: No. We need to come up with a different way to pay for schools really.

ADUBATO: David, are you saying that you believe that the income tax that Christie Whitman cut by 30 percent over a couple years, way back, that we should say, 'Wait a minute. Let's put more pressure on the income tax. People who earn more should pay even more, and if we do that to support schools, there'd be less pressure on the property tax'? Are you saying that?

Mr. DelVECCHIO: Yes.

ADUBATO: You believe that's good for business?

Mr. DelVECCHIO: I think it's...

ADUBATO: Great, minute left, you opened up this Pandora's box. Go ahead. Is that good for business?

Mr. DelVECCHIO: No, it's--I think you could look at the income tax and you could look at some value added taxes also. But my point is it's unfair to working people who is...

ADUBATO: On the property tax.

Real quick, John.

Mr. SMITH: Real quick. In terms of millionaire's tax--you remember that, you know, tax the rich and--well, what happened...

ADUBATO: You support higher income tax for people who are wealthier in the state?

Mr. SMITH: No. And I'll tell you why.

ADUBATO: Go ahead. Forty seconds.

Mr. SMITH: Because they can move--they have the wherewithal to move out of the state.

ADUBATO: We'll lose them?

Mr. SMITH: Oh, yeah. I can give you an example. One corporation that started in this state, grew to a \$3 billion corporation, it's still headquartered in this state, but the chairman moved out of the state. He relocated to Florida. They're a--they're a national organization. It won't be long before that corporation says, 'Hey, let's relocate our headquarters

out of this state to another state also.'

Mr. DelVECCHIO: (Unintelligible)

ADUBATO: And we might lose that whole--not just that CEO but every...

Mr. SMITH: And 900 jobs for people also.

ADUBATO: Kevin, final--you want to jump into it?

Mr. LUING: No, no.

ADUBATO: You want to leave it alone.

OK, go ahead.

Mr. DelVECCHIO: My goal is...

ADUBATO: OK, Deb, go ahead.

Ms. ZASTOCKI: Medical malpractice. Medical malpractice, a big one.

ADUBATO: Can I promise--can I promise you that we'll do a whole half-hour on medical malpractice?

Nine seconds, David.

Mr. DelVECCHIO: My goal is to pay the millionaire's tax.

ADUBATO: Dave, we wish you the best.

Mr. DelVECCHIO: Thank you.

ADUBATO: Great job, everyone.

Announcer: If you would like more information on this program or if you'd like to express an opinion, e-mail us at DemocracyWorks@caucusnj.org or visit us online at DemocracyWorksNJ.org.

The proceeding program has been a production of the Caucus Educational Corporation, celebrating over 20 years of broadcast excellence; NJN Public Television; and Thirteen WNET New York.

Major funding for DEMOCRACY WORKS has been provided by Commerce magazine, QualCare Inc., MD Advantage Insurance Company of New Jersey, New Jersey Natural Gas, the Port Authority of New York and New Jersey, New Jersey Monthly, Susan G. Komen for the Cure North Jersey Affiliate, Saint Barnabas Health Care System, Johnson & Johnson, The Provident Bank, and the New Jersey Education Association.

Additional funding has been provided by these public-spirited organizations.

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Announcer: Promotional support provided by NJBIZ, all business, all New Jersey.

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