

**SERIES:** Caucus: New Jersey with Steve Adubato  
**TITLE:** Democracy Works: Corzine on the Line, Part 1  
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Ms. GLORIA GAYNOR (Honorary Chair, Susan G. Komen North Jersey): The first Susan G. Komen North Jersey Race for the Cure is coming to my hometown of Newark, New Jersey, on May 4th, 2008. Hello, I'm Gloria Gaynor, and I'm proud to be serving as honorary chair of this exciting event in Essex County Branch Brook Park. Join me, and race for a cure. Together we can end breast cancer forever. And don't forget to have your annual mammogram.

(Graphic on screen)

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Announcer: A message from the North Jersey Affiliate of Susan G. Komen for the Cure, an underwriter of CAUCUS: NEW JERSEY programming.

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:

I recently had the opportunity to sit down with New Jersey Governor Jon Corzine for a live call-in where he responded to a range of questions posed by New Jersey citizens. We hope you enjoy this very special edition of DEMOCRACY WORKS.

Announcer: Major funding for Corzine on the Line, a special edition of DEMOCRACY WORKS, has been provided by New Jersey Natural Gas, QualCare Inc., New Jersey Monthly, The Port Authority of New York and New Jersey, The Provident Bank, MD Advantage Insurance Company of New Jersey, Community Education Centers, Saint Barnabas Health Care System, Hill Wallack LLP, Johnson & Johnson, the New Jersey Education Association, Monmouth University and The Fund for New Jersey.

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Announcer: New Jersey faces a massive financial deficit. To close the budget gap, Governor Jon Corzine considers a controversial plan to lease valuable state assets. A raging debate on how to deal with political corruption,

increased urban violence, and many residents leaving the state, blaming high taxes, these issues and more. The governor of New Jersey takes your calls live. It's Corzine on the Line.

ADUBATO: Hi, I'm Steve Adubato. Welcome to Corzine on the Line. It's the second time we're doing this with the governor of the great state of New Jersey. I'd like to introduce New Jersey Governor Jon Corzine.

Governor, thank you very much for being with us.

New Jersey Governor JON CORZINE: Great to be here. It's great to be anywhere, by the way, for me.

ADUBATO: Yeah. By the way, we should just do that...

Gov. CORZINE: Thank you for having me here, but also, thank you to all your listeners for all their prayers and support over the last six months.

ADUBATO: You know, before we talk about fiscal affairs--and I know that before we even got on the line that Vincent from Clifton is there, and I want to go to Vincent in a second. I want to thank our partners here at Thirteen, where we're doing the program at our studios at Thirteen, also our partners at WHYY TV12 in Philadelphia, on WHYY 91FM, The Star-Ledger and the online operation there at nj.com, all of our partners.

But, Governor, talk to us about how you are doing physically after the April 12th accident.

Gov. CORZINE: April 12th. I couldn't be better. I am truly blessed, Steve. The fact that I've recovered almost all of my physical abilities--they weren't so good to start with, I'm getting a little older in life, but I am--I am fully recovered, working full days, got as much energy as I've ever had, and I really, really am blessed given the circumstances.

ADUBATO: Biggest change, since we are going to be talking about the fact the state has a deficit--I mean, when we talk about deficit, folks, we're talking about a huge number. It's \$32 billion deficit. The Star-Ledger today, "Corzine aiming to cut state debt in half."

Gov. CORZINE: Thirty-two-billion-dollar debt. Deficit's a lot smaller than that, the year-to-year deficit.

ADUBATO: The year-to-year deficit's between 3 and \$4 billion, but the debt that's added up is about 32 billion. And you have--you're going to have to be in great shape to handle this. But let me ask you, Governor. The paper says today, in a speech that you gave at the New Jersey League of Municipalities down in Atlantic City you proposed cutting the debt from \$32 billion right in half. How are you supposed to do that so quickly?

Gov. CORZINE: Well, I think that there is one plan that I know will allow us to get the resources without excessively burdening--it's not going to be free, going to end up being charges on the tollways that will be troubling to some, but I think for the reduction in the debt and its implication for our ability to both spend on investments on the Turnpike and our ability to no longer have to pay this interest and principal debt, like people have to pay on their mortgages, you can...

ADUBATO: Talk about \$3300 dollars...

Gov. CORZINE: Dollars per person..

ADUBATO: ...per citizen. What does that mean?

Gov. CORZINE: You can divide that in two. Well, that's how much--each citizen has about \$3300 of debt day from the state that is their per capita share. That's every man, woman and child. It's not just each family. It could be a lot larger for a family. And we need to reduce that so that we have the physical--fiscal capacity to do the things that people expect us to do: protect them, in the first instance, educate their kids, and make sure that we provide a social safety net for the most troubled in our society.

ADUBATO: And the governor has in fact said that he would risk his tenure as governor and not be re-elected in an effort to do the right thing in this process. That's what you said today.

But we're going to go to Vincent, who's been waiting patiently in Clifton.

Vincent, I want to thank you for joining us here. You're watching us on Thirteen?

VINCENT: Yes.

ADUBATO: What's your question for the governor, Vincent.

VINCENT: Good evening, Governor.

Gov. CORZINE: Hey, Vincent.

VINCENT: More and more teens and young adults whose parents work are losing their health insurance. What are you going to do to make health insurance more affordable for working families?

Gov. CORZINE: Well, the most important thing we need to do is get our friends down in Washington to get of their tails and do something about universal health insurance. That's what I've been arguing about since I got into public life. We can do some important things at the state level. That's why we've been fighting to keep what they call SCHIP, or Children's Health Insurance Programs, in place in the structure that we've been able to have them in New Jersey.

ADUBATO: The president doesn't like that.

Gov. CORZINE: The president has vetoed the bills, cutting back, and has gone particularly directly at the state of New Jersey. They're trying...

ADUBATO: Why would he do that?

Gov. CORZINE: They're trying to cut down low-income parents, they're trying to cut back kids that are in families that make \$70,000 or less, and I think it's a huge, huge mistake. And we've been fighting, and our congressional delegation has been fighting, with the administration over this. And hopefully we can stall him out till he's gone and work with the next president, whoever that may be.

ADUBATO: The telephone number is 1 (800) 922-8813. You can also e-mail your questions into DEMOCRACY WORKS at caucusnj.org. You will see that information on your screen throughout the program.

Please, I have to tell you, we've received, Governor, over 600 e-mails that came to us on the nj.com, The Star-Ledger's Web site, and also through Thirteen. It's an unbelievable number of e-mail questions. We're going to take as many as possible. But I have to ask you, what do you think that says--and by the way, most of them came dealing with fiscal affairs. Why do you think so many people are concerned about fiscal affairs in the state right now?

Gov. CORZINE: Because they pay among the highest property taxes in the country, and people are troubled by that. The cost of living is high in the state of New Jersey, and people are troubled by that, whether it's insurance like the first gentlemen talked about or whether it is the cost of energy. And their personal lives--in people's personal lives they're struggling with fiscal issues, and they know that the state has been mismanaged and doesn't have the ability to help them in the ways that they would expect them to.

We should be providing more school aid at a local level that would actually hold down the primary drive or property taxes in the state, which are our schools. Which, by the way, are the best in the country. We have the best performance of almost any state in the nation in our schools, but we pay a very high price for that. What we need to do is have the state not be paying money for--or paying resources or paying our tax dollars for paying interest on our debt. We ran up too big a bill on our borrowings. And the second thing we did is we didn't bother to even pay some of our bills, like the pension charges that we contracted to or post-retirement medical benefits for teachers and public employees.

ADUBATO: You're talking about \$75 billion, is my understanding, Governor...

Gov. CORZINE: Yes.

ADUBATO: ...is that for people who have retired, public employees who have retired, that get lifetime health benefits...

Gov. CORZINE: Teachers also.

ADUBATO: OK--that get health benefits, who get pension benefits. Why were...

Gov. CORZINE: All those things...

ADUBATO: ...we not planning for those expenses?

Gov. CORZINE: All those obligations were incurred over the last 25, 30 years. It's not a short-run problem. We failed as a state over many administrations--Democrat, Republican administrations--to take up the burden of paying for our pensions and paying for our health care of those people that we hired. We promised them one thing and we didn't deliver. And so now the bill's coming due. That \$75 billion translates into about \$4 billion worth of expenses a year, maybe a little less than that, about \$4 billion of the--of tax dollars that we have to dedicate to it. And then we have to pay another billion dollars or so for interest.

ADUBATO: Governor, we're going to talk about stem cell research a little bit

later on, because there was an election a couple weeks ago and the voters had something very important to say about stem cell research, at least borrowing for it.

But we're going to go right back to the busy phones. We're here at Thirteen, at our studios, and Kathleen is on the line.

Kathleen, welcome to Corzine on the Line. Talk to the governor.

KATHLEEN: Good evening, gentlemen.

Gov. CORZINE: Hi, Kathleen.

KATHLEEN: Hi. Governor, do you support legislation that would ban smoking in automobiles when children are present?

Gov. CORZINE: Well, I think automobiles where children are present shouldn't have smoke in them to start with, so I do believe that parents ought to have the discipline to do that on their own without the government telling them to do it. If we can't get a high degree of responsiveness--and we're doing some studies and will do some studies to find out whether that is actually happening--if that's the case and there's a high number of people that are smoking with children in the cars, then I think we ought to--we ought to move to the law. But I really think that's an individual decision that a parent ought to be making with regard to their own child.

ADUBATO: Whoa, I just want to understand. Before we go to a person on the street, an interview--we have lots of those, as well--are you saying that you would be open to the idea--and you're outgoing health commissioner, Fred Jacobs, Dr. Fred Jacobs, has talked about this--you would support the idea of banning smoking in cars.

Gov. CORZINE: I would rather the parents do it themselves.

ADUBATO: Say they didn't do it, Governor.

Gov. CORZINE: Well, you know, if we find out that this is a broad-base problem, I would be prepared to move this legislation.

ADUBATO: We're going out to the streets, folks. We talked to folks with our Star-Ledger video team and our producer Joanna Caplan. And we have the first question on the street, and let's go to it and we'll talk to the governor.

Ms. JOANNE NOEL (New Brunswick, New Jersey): Hi, Governor Corzine. My name is Reverend Joanne Noel, and I'm concerned about the escalating crime rate in the inner cities, and I'd like you, as governor, to address that. How are you going to work with local leaders, local church officials, to address that problem which seems to be pandemic, especially among the African-American community?

Gov. CORZINE: Robin, you may have known that in the month of October we had a series of presentations of a whole slew of initiatives with regard to, particularly, some of the problems we see on--related to gangs. We talked about enforcement issues. We've got to have a whole series of changes with regard to the gangs. Don't--witness intimidation rules need to be strengthened; we need to make sure that bail money is not dirty money; we need a whole series of rules--lengthening out prison sentences for those that are

using guns in violent crime. We need a very strong enforcement program. But we also need to make sure that we're preventing our children from getting into circumstances where they are--feel that gangs are their only alternative, and that's after-school programs, higher quality mentoring in our schools, a whole number of initiatives that we work with the local community on. And we've presented an outline of things that we can do along those lines.

And the third area where we're working is re-entry. So much of the gang...

ADUBATO: Prisoner re-entry.

Gov. CORZINE: Prisoner re-entry. We have about two thirds of the folks that go off to prison come back and then go back into jail.

ADUBATO: Recidivism.

Gov. CORZINE: Recidivism. And we have to have a program to attack that, both what happens in the prison and then making sure that we're working with the individuals when they come out so they get jobs, they get their records cleaned up and have the ability to go to work. All of those things need to be pulled together, and we need the community to help us. Without community help, without our families saying that we want to stop violence, we want to bring discipline to the streets, we've got a real challenge ahead of us to see this crime problem break down.

ADUBATO: You did this in your prime plan, you talked about this, and I want to understand it. Right now there's a mandatory sentence for someone who sells drugs within 1,000 feet of a school. And Cory Brooker said, it's impossible not, if you're going to sell drugs, to sell drugs within 1,000 feet of a school. Should that...

Gov. CORZINE: In almost every urban community we have, that's a...

ADUBATO: Should it be 200 feet, Governor?

Gov. CORZINE: Yes.

ADUBATO: Appreciate your candor. It should be 200 instead of 1,000 feet. We'll follow that.

And we go to Clark, to Bill, who I believe is watching us on Thirteen.

Correct, Bill?

BILL: Yes, good evening, Steve. How are you?

ADUBATO: I'm doing great. Thank you for calling in with the governor.

BILL: Governor, good to see you up and around.

Gov. CORZINE: Thank you. I appreciate all the support.

BILL: Thank you. Governor, we're spending about \$10 1/2 billion to bring cargo into the port of New York and New Jersey, and this is going to put tens of millions of additional trucks on the roads in the state. Port Authority predicts that we're going to be doubling our commuting times in the near areas. So is there some point in time when you would consider getting behind

a high-speed rail line from the port out to the Pennsylvania border so that we can actually take tens of millions of trucks off the road every year?

Gov. CORZINE: I couldn't have paid for that question to come in, because if we...

ADUBATO: By the way, you didn't pay for that question, just want to clarify that.

Gov. CORZINE: I know, I know.

ADUBATO: Bill just called.

Gov. CORZINE: But the fact, though, is, is we don't get trucks off the road and onto rail. And we have a liberty quarter, which I'm working with our senators, both Lautenberg and Menendez, in Washington, our congressional delegation, to expand our rail transportation. If we don't do that, the congestion in this state is only going to get worse. We have 80 million consumers that surround the port of New York and New Jersey...

ADUBATO: Right.

Gov. CORZINE: ...and most of that is New Jersey. And the distribution of that is going to be from New Jersey, and that means trucks or trains. We ought to get it onto trains as much as possible. We're building out rail in the port yards themselves. We're trying to build rail connections to other major north-south routes, and it's something that I think is absolutely essential. And as one of the reasons, not only do I want to reduce the debt 50 percent...

ADUBATO: Right.

Gov. CORZINE: ...but I want to be able to renew our transportation trust fund in perpetuity. And the way to do that is to pay down this debt, pay down our transportation trust fund debt that we have today, and we'll have that problem solved and we'll build more rail.

ADUBATO: Governor, I know you know the question that's about to come, since you talked about the transportation trust fund. We've been talking about it for several years. A Department of Transportation study in New Jersey said that about 13.6 billion dollars of bridges are either falling apart, disrepair, antiquated--there's a problem. You read the report, you understand. Many people say that the only way to deal with those bridges, the only way to deal with the roads that are falling apart is to increase the gas tax by at least 10 cents a gallon, and put that money into the transportation trust fund, a stable source of funding, and that's all it goes to, bridges and roads. You say?

Gov. CORZINE: Steve, that isn't the only way. One of the ways to do this is to pay off the debt that we now have outstanding against the already flow of tax dollars that come in from the gas tax. We have about 14 cents that goes to fund the transportation debt that we have outstanding. If we pay that debt off, then that money is available for future use in transportation funding.

ADUBATO: Are you open to the idea--we are the third lowest tax, gas tax, in the nation. We have the third lowest gas tax in the nation. Are you open to the idea of a 10 cent a gallon hike in gas tax?

Gov. CORZINE: Steve, I bet the next five callers will tell me every other tax in the state of New Jersey is through the roof, and this one happens to be low. And I happen to think in a commuter state, and particularly for middle income and lower income folks, it's better to use that as a last resort. If we're not able to resolve our problems with respect to paying down our debt and refunding the transportation trust fund under the proposal that I'm going to be talking to the public about nonstop over the next three months...

ADUBATO: Twenty-one counties.

Gov. CORZINE: ...then we might have to turn this.

ADUBATO: Twenty-one counties, twenty-one town meetings, by the way...

Gov. CORZINE: I hope we don't have to go in that direction, because I think it's very onerous relative to the alternative, which I think is user-pay--and by the way, I about 50 percent of the people that use the tollway are from out of state.

ADUBATO: And by the way, I know a lot of people are watching, particularly in the New York-New Jersey area are interested in the fact that they've been reading in the paper about the Port Authority considering increasing the tolls on the Lincoln Tunnel, the Holland Tunnel, the George Washington Bridge. The governor knows that question is coming.

We're going to The Star-Ledger video team, that has another question for the governor. Let's go out in the street.

Ms. PEARL ODURO (Highland Park, New Jersey): I'm currently thinking about moving out of the state of New Jersey because it is very expensive for me to stay here right now. What could you do so that I would stay here?

Gov. CORZINE: Well, we're doing a lot of things that I think are important for people like yourself and other New Jersans. We have the best school system, so if you have children and you want your children to go to college, we have one of the highest percentages of our kids going off to college, we have the highest graduation rate; and if they're young kids, we have the best preschool system in the country. So there are reasons to stay here. Second thing is, we just instituted one of the most aggressive property tax relief programs, and that translates into sending out the average of \$1,000 to a million-eight New Jersey--a thousand dollars to a million-eight. That's up from about \$300 on average previous year, so there's real tax relief that was provided, and we're going to fight to make sure that it continues to be provided year after year after year. The third thing we're doing is trying to get control of property taxes. We put a cap on the rise in tax levys, so that we're asking our municipalities and our school districts not to raise there tax levys more than 4 percent in a given year.

ADUBATO: They're fighting you on that, Governor.

Gov. CORZINE: They're fighting me, but this year, this year the first measurement that we have, is we went from 6.6 percent in 2006...

ADUBATO: Right.

Gov. CORZINE: ...on school tax levys down to 4.4 percent. We saw a break of

almost one-third this year, and I think we'll see a lot more in the future. And I am intending to make sure that we keep property tax relief and the long-term reforms that we have addressed in place and moving forward.

ADUBATO: Listen, I want to have our friends on WHYY-TV 12 call in, I know that there are a lot of folks down in the southern, central part of the state that want to talk.

But right now we're going to Verona, New Jersey, in the northern part of the state, and Mike is on the line, talking to the governor.

Good evening, Mike.

MIKE: Good evening, Steve. Good evening, Governor.

Gov. CORZINE: Hi, Mike.

MIKE: I'd like to know, Governor, you know, we're hearing a lot about the debt. What is your plan to reduce government in an effort to cut costs?

Gov. CORZINE: Well, we have put a hiring freeze on in Trenton, which people are not really focused on. We have reduced over 2,000 jobs since I've been in office. I hope we don't have to go more aggressively at that and make it only through attrition, but we're going to reduce the cost of government. We are doing that every day, and I've asked all of my department heads to come back with 20 percent cuts, tell me what you would have to do.

ADUBATO: Twenty percent?

Gov. CORZINE: Twenty percent.

ADUBATO: Twenty percent.

Gov. CORZINE: Well, what I want to do is get a list of cuts, not--whether we go to that full cut is another consideration, and it also will be determined by how well our economy is doing and what our revenue flows are for the year.

ADUBATO: But you're going to push those cuts?

Gov. CORZINE: We're going to look for serious cuts. And, you know, that comes with a lot of havoc, too. When we cut higher education funding in my first budget, and when I talked about cutting charity care at hospitals, the overwhelming flow of calls and protests were that you got to restore it. You can't do that.

ADUBATO: Well, think about that. There were many students who we spoke to--when you cut state aid to higher ed, what happened was, many of the colleges said, 'Fine. The state's going to cut money to the colleges, we're going to raise tuition.' So in many ways, that's a tax for a student, whether you call it tuition or tax. I mean that bothered you.

Gov. CORZINE: Same thing happens with the hospitals. If you cut charity care, then you...

ADUBATO: Charity care--excuse me for interrupting, Governor. For those who don't know, charity care is the money that the state pays for people who can't pay for themselves, because you can't be refused care in an emergency room.

But someone has to pay.

Gov. CORZINE: Exactly. Somebody has to pay, and the uninsured go in to our emergency rooms and get their care, and then the state and the federal government have to make up for payments that aren't being paid by the individual.

ADUBATO: And we have over a million people in New Jersey who are either uninsured or underinsured, many of whom are working.

Gov. CORZINE: One of the reasons that we need universal health insurance. We certainly need to make sure that all of our children are insured, and we're working on that with Joe Vitali and other folks.

ADUBATO: Senator Vitali heads up the health committee in the Senate.

Gov. CORZINE: Right. My point is, what are we doing? We are reducing the size of government. We're trying to do more for less. You know, people complain that they've seen growth in expenditures since I've been governor, all that's about is debt and health care costs. Debt and health care costs.

ADUBATO: Time out. Every time people look and they say, 'Wait a minute. Corzine started, and the budget was,' what was the number?

Gov. CORZINE: Twenty-eight and a half billion.

ADUBATO: And today it's...

Gov. CORZINE: About 33.

ADUBATO: So they say, 'Wait a minute, that means it's \$5 billion more.' So they say you've increased government.

Gov. CORZINE: We have \$9 billion of expenditures on health care in our budget. You know, if I'm wrong, it's a little bit more. Put a 10 percent number in the increase of cost of health care, which is what the cost of health care is going up...

ADUBATO: And you can't do anything about that?

Gov. CORZINE: That's a given. We have mandates on what we have to meet with regard to Medicaid, we have mandates that we have to meet with regard to charity care, we have...

ADUBATO: Because the federal government says that, the law says that.

Gov. CORZINE: There are lots of laws that mandate that you do it. We signed agreements for post-retirement medical benefits for our employees, and we have health care benefits for the people who actually work for the state today. Matter of fact, that's one of the reasons we fought to make sure that there was cost-sharing by our public employees, for the first time. Any contract...

ADUBATO: And the--in the deal that was negotiated.

Gov. CORZINE: Yes. The deal that was negotiated. Point is, though...

ADUBATO: OK.

Gov. CORZINE: ...that no matter what happens, that \$9 billion dollars, 10 percent, up \$900 million, and our debt load costs us something like two point--200--\$2.7 billion just to pay the interest and principal on that debt.

ADUBATO: That's all the time we have, so join us next time for more of this very special edition of DEMOCRACY WORKS, Corzine on the Line.

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](mailto:democracyworks@caucusnj.org), or visit us online at [democracyworksny.org](http://democracyworksny.org).

Corzine on the Line is a production of Thirteen WNET New York, WHYY News and Public Affairs and the Caucus Educational Corporation, celebrating over 20 years of broadcast excellence.

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Ms. ANNETE CATINO (President and CEO, QualCare, Inc.) 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 Annete Catino. We're proud to support DEMOCRACY WORKS because it helps make sense of the complex issues that matter most to the people of our nation. Thanks for watching.

Ms. MARY JO CODEY (Former First Lady of New Jersey): Early detection saved my life. It could save yours, too. I'm Mary Jo Codey, and thanks to my yearly mammogram my breast cancer was caught early, when it was most treatable. Early detection makes all the difference in beating breast cancer, so go get that mammogram. Information about mammograms for women without insurance is available at the NJCEED hotline.

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