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Ms. ANNETTE CATINO (President & 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 Annette 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.

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.

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ADUBATO: By the way, folks, if you're watching us right now and you're wondering what's happening, this is really an electronic town meeting. We're coming to you from the studios at Thirteen. We're being simulcast on WHYY TV12 in Philadelphia, also being streamed on The Star-Ledger's Web site, nj.com, and also on the radio at WHYY 91FM. And by the way, speaking of e-mails, we got over 600 e-mails, and one of them that just came in from Branchburg, New Jersey, on nj.com, coming from Jim.

You ready, Governor? (Reading) "The--Governor, the ballot question about financing stem cell research was defeated at the polls, but you supported it. How can you now justify moving toward with a--moving forward with a \$270 million in contract debt to finance the construction of these stem cell research centers when the voters said, `No, Governor, we don't want you to borrow any more money'?"

New Jersey Governor JON CORZINE: The question on the ballot, `Do you want to borrow money...'

ADUBATO: Four hundred and fifty million dollars.

Gov. CORZINE: ...million dollars--`for purposes of investing in research?' The contracted debt that the individual speaks about--and we're reviewing, by the way, each of the elements of that authorization that the legislature gave to me and I signed...

ADUBATO: Explain--in lay person's language, what does that mean?

Gov. CORZINE: Well, there--on contract debt, you don't go to the voters. By the way, I think we ought to end that. That was the third thing that I talked about.

ADUBATO: Isn't that kind of slipping...(unintelligible)?

Gov. CORZINE: No...

ADUBATO: The voters said no to the bond issue, and then you're saying, `Well'--some in the legislature are saying, `Well, you could say no...'

Gov. CORZINE: Yeah.

ADUBATO: `...but we're going to still do it anyway.'

Gov. CORZINE: First of all, the legislature is elected by the people. If--the legislature is authorized to speak for the people when there aren't elections. And the question before the public was, `Do we want to spend \$450 million over 10 years, \$45 million a year, on research to make investments?' It wasn't whether you were going to invest in either the infrastructure...

ADUBATO: Right.

Gov. CORZINE: ...the buildings and the research labs to do it.

ADUBATO: It was in research.

Gov. CORZINE: Now, I do think there is a serious statement that was made by the public and that is our fiscal house is not in order. `We want you to go slow on everything'--because if you look at all the polls, most of the public supports stem cell research.

ADUBATO: Both embryonic and adult.

Gov. CORZINE: And--right, as far as I can tell, every poll I've seen, poll after poll and the ones that led up. But people are disturbed about the financial condition. And so I think I have an obligation, and we are in that process right now of going back and seeing whether we can scale back some of those investments. But the fact is that I believe that the state needs to be at the forefront of the process of finding these cures for regenerative--or regenerative cures for the most devastating things. We are the pharmaceutical industry capital of the world. We're the medicine chest of the world, and I think that's what the legislature was reflecting when it voted for these investments, and I think that's what, I think, the law says I'm obliged to do.

ADUBATO: Well, we're going to continue to follow the stem cell research issue. It's generating a lot of attention.

We're going to go back to The Star-Ledger video team, and we have another question on the street. I believe this is about the New Jersey Turnpike.

Mr. DOUGLAS ENGLISH (Trenton, New Jersey): My name is Douglas English, and I was wondering, if you're going to sell the turnpike, how much my tolls are going to go up.

Gov. CORZINE: First of all, we're not going to sell the turnpike. That's one of the fundamental principles. And regardless of what other politicians tell you, there will be no sale of the turnpike; the New Jersey public will continue to own it. There will be no lease of the turnpike to a private entity or a foreign entity, and as soon as I know what schedule of increases in tolls will be necessary to put this program together, I'm going to go out and talk to the public directly about what that schedule would be.

ADUBATO: But there will be increases in tolls because if there aren't increases in tolls, where is the money going to come from...

Gov. CORZINE: That's right, Steve.

ADUBATO: ...from this other entity to pay back the state so you can pay down on the debt?

Gov. CORZINE: By the way, Steve, there will be increases in tolls whether we implement my plan or we don't implement my plan. We've already signed up for widening the turnpike from exits six to 10. The fact is there's no money for that. There is no money for fixing bridges. There is no resources to build tunnels under the Hudson River. We make commitments, and have made commitments for the last decade, that there aren't the resources to be able to fulfill those promises. And if we're going to do the things that are necessary to have our economy strong and to relieve the pressure on the debt of this state, then we need to come up with a plan on doing it. You know, some people say what you said, raise the gas tax 10 cents, 20 cents, 25 cents. I don't think that is as wise as trying to figure out a proposal that will capture the value of what our turnpikes have the ability to produce, capture that and make those investments in paying down the debt and investing in our infrastructure.

ADUBATO: But not selling the turnpike.

Gov. CORZINE: But not selling. The state is going to own it. The state's going to have the benefit.

ADUBATO: Will you ultimately be responsible, Governor, for what happens on the turnpike, regardless of what happens with your plan?

Gov. CORZINE: One of the fundamental principles is the maintenance, the capital expenditures, the widening, the high--the state police monitoring. All that's going to stay the same.

ADUBATO: All right.

Gov. CORZINE: All of that.

ADUBATO: We got--I believe we have Robert on the line in northern New Jersey, watching us on Thirteen. I believe he has a transportation-related question.

Robert, thank you for joining us for CORZINE ON THE LINE.

ROBERT: Good evening, Steve and Governor. How are you?

Gov. CORZINE: Very good, Robert.

ADUBATO: Great.

ROBERT: I am employed with the New Jersey Highway Authority for 24 years, and I guess the question was just asked by the gentleman before. If you do privatize it, Governor, are the employees still going to keep their jobs?

ADUBATO: Hm.

Gov. CORZINE: Well, first of all, I would not use the word "privatization" because I think you probably know I have been talking about creating a new public benefit corporation, which is still owned by the state. Any of the benefits that that corporation would earn would go back to the state. And we have made an absolute pledge in my principles that our employees will retain all of the rights and benefits that they've negotiated, and the employees going forward for extended period of time will be under the same arrangement. So it's not going to change a single thing as it relates to how your health care benefits, your pension benefits or anything else are arranged.

ADUBATO: I want to thank you for that call, Robert.

We're going all the way down to--is this Hamilton township? We go to Bill, who is watching us on WHYY TV12.

Welcome to the program, Bill.

BILL: Good evening, Steve. Good evening, Governor.

Gov. CORZINE: Hi.

BILL: Eminent domain reform.

ADUBATO: Hm.

BILL: Governor, we spoke about this many times, in your campaign and recently. Where are we at today? My friends, the Sheltons, they've lost their property in Trenton for a commercial taking through eminent domain. Where we at, Gov?

Gov. CORZINE: Well, we have legislation that we are pushing through the legislature. Got it through the assembly but haven't gotten it yet through the state Senate.

ADUBATO: Governor, real quick--I'm sorry for interrupting--explain, 20 seconds or less, eminent domain means?

Gov. CORZINE: Eminent domain says if we want to redevelop an area in...

ADUBATO: "We" meaning the state.

Gov. CORZINE: "We," the state; it's more likely a local community. It's more likely a town. Newark decides it has a blighted area and it wants to clean up that blighted area. It will use the right of eminent domain by the government to declare that blighted and therefore be able to negotiate,

purchase and, some people would say, the taking of that property from the individual.

ADUBATO: Sure.

Gov. CORZINE: But they would say that's for the better public good because we're going to change a blighted neighborhood into a redeveloped neighborhood.

I think that there are times when there are serious needs for redevelopment of an area, and "blighted" ought to be defined very precisely and very carefully. And then there also ought to be reform that you don't give the low dollar price to an individual whose property would be involved in eminent domain, but what the market price of the new value would be after the redevelopment occurs. And we need to help that individual transition into some other arrangement. We are creating legislation, tightens up all the definitions, make it much harder to argue that an area's blighted. We're talking about making sure that those who lose their property under eminent domain are fully compensated and they're helped in getting transitioned to whatever new arrangements they're going to. And we're pushing like crazy in the Senate to get this done, and I will keep working on it till it gets to my desk.

ADUBATO: Governor, before we go back out to The Star-Ledger video team, I have a couple things.

First of all, Louise in Glassboro, you're watching. You on nj.com asked a question about eminent domain that was very similar to the question that we just got in from WHYY.

Also I'm going to do this: Got a question from Steve in Woodbridge. This is an e-mail question that came in on the Thirteen line, the e-mail address at Thirteen, about dual office holding. Basically it says, 'Governor, the legislature passed dual office holding, except they grandfathered in the people who are currently holding two offices, meaning if you have two offices, you're fine with it.' Steve is saying, 'Wait a minute'--Steve in Woodbridge is saying, 'Wait a minute. That's not what it's supposed to do.' Governor, why don't you just say that if you have two offices, you can't have two?

Gov. CORZINE: You know, democracy is an interesting proposition, Steve. The fact is that a governor can't order dual office holding gone without the support of the legislature.

ADUBATO: New Jersey's only state in the nation where you can hold two offices at one time.

Gov. CORZINE: Well, we've been debating this issue since they wrote the constitution in 1947. Sixty years, dual office holding has been a political football. This time we got three quarters of a loaf. Just exact--three quarters of a loaf. I mean, I'd prefer that we didn't have dual office holding. I ran on it, I've...

ADUBATO: Did you--did you--excuse me for interrupting, Governor. Did you say to your colleagues, the Democrats who control both houses of the legislature, 'Look, we know it's wrong. New Jersey's the only state. We can't have people being mayors and also state senators. No one else does it'? Did you say, 'That's what I want'?

Gov. CORZINE: I said that's what I wanted, and we fought for it, but there

are choices you have to make. I also wanted a budget done. I also wanted to make sure that we got caps. I wanted a controller. I wanted a lot of things.

ADUBATO: You got the penny on the sales tax.

Gov. CORZINE: Well, more importantly we got serious reform with regard to where we're going on property taxes. We have a budget in 2008 fiscal year that was a lot less controversial, a lot more transparency. We went a long way. Within a decade, I think you will see no more dual office holders. We're down to 14 in the legislature. It started out at 19.

ADUBATO: Right.

Gov. CORZINE: There are pledges from a number of the people who are just elected that are dual office holders, or re-elected, to step aside from their positions. I think we'll see ourselves under 10 individuals. I think that we made a major step, not a perfect step. I would rather have had the other alternative, but it's better to do something than nothing.

ADUBATO: Do we have Lynn? Is that Lynn on the line? Oh, we have a roll-in. I believe we have Lynn who's going to be talking to us. She talked to The Star-Ledger video team, and Lynn's going to go right to the question. Let's go to it.

Ms. SAIRA BAKSHI (Ridgewood, New Jersey) Hi, Governor. There's corrupt politicians in our state. They're spending our tax dollars the wrong way. What do you plan to do about it?

Gov. CORZINE: Well, first of all, I'm as offended as all of you are, people who break the public trust. And that's about as sincere as I can be. I can't--I can't tolerate this any more than the US attorney or my attorney general.

ADUBATO: Chris Christie, who's talked about it many times on Thirteen.

Gov. CORZINE: Right, and has done a very good job of going out and prosecuting lawbreakers and making sure that people who are willing to break the rules get caught. We have appointed as attorney generals very aggressive prosecutors, first Stuart Rabner and now Anne Milgram, both prosecutors. They've actually had over 60 either indictments or convictions in the two years that we've been in office. They're working on corruption, so we have to have an enforcement partnership between the US attorney and the attorney general's office, and I think that's, for the first time in a long time, in place.

ADUBATO: I believe that Rob is calling from Somerville, New Jersey, and he has a question connected to the issue of political corruption.

Go ahead, Rob.

ROB: Good evening, Governor.

Gov. CORZINE: Hi, Rob.

ROB: I was hoping that you would pass your legislation that you have for across the state, have pay-to-play reform, and get some confidence back in government.

ADUBATO: Explain pay to play just a few seconds.

Gov. CORZINE: Pay to play is if you build roads and you contract with the state to build those roads, well, then you can't give political contributions to legislators or governors or most entities.

ADUBATO: Because?

Gov. CORZINE: Because that could influence somebody saying that that individual could influence the governor or the legislators to give them the contract.

ADUBATO: Sure. Where are we on that?

Gov. CORZINE: And that's pay to play. Well, we've begun, and again, we're about three quarters down the pathway of implementing pay to play at a state level, but there are some very large loopholes in that. One is leadership PACs of legislative leadership in Trenton.

ADUBATO: So if you're the speaker of the assembly or the president of the Senate...

Gov. CORZINE: Right.

ADUBATO: ...you are not bound by the same pay-to-play...

Gov. CORZINE: Right.

ADUBATO: ...rules.

Gov. CORZINE: And then at local levels, there are some places that have pay to play rules and there are some places that don't.

ADUBATO: But, Governor, if we're agreeing that pay to play, that being able to--or paying in order to play and get government contracts is wrong on the state level, why wouldn't it be wrong for the leaders of the legislature? Why wouldn't it be wrong on the county level and municipal level? Why don't the Democrats...

Gov. CORZINE: That's a good question.

ADUBATO: But, Governor, isn't it interesting that the Democrats control both houses of the legislature, you are a Democratic governor, you don't even need any Republicans to do this, and it's still impossible to get done.

Gov. CORZINE: Steve, we are trying to put the pressure on all of the political leadership to move in this direction. And one of these legislative days, we will find enough people on both sides of the aisle to get this corrected. But I'll tell you, just like in McCain-Feingold and campaign finance...

ADUBATO: On the federal level.

Gov. CORZINE: ...federal level--it is very hard to put a cork in all of the holes of pay to play. People find new loopholes, get good lawyers to go around the system. The real way to break corruption in this state is to elect

people who you trust are actually going to live up to the standards that you expect, that hold to the principle of real competition for contracts, that are more interested in trying to serve the public's need than they are their own interests.

ADUBATO: We're going to go to Nanci, who is part of our Star-Ledger video team. She was taped down on the street, has a question for the governor on the subject of the cost of education.

Ms. NANJI AYDELOTTE (Egg Harbor Township, New Jersey): My question for Governor Corzine relates to funding for public universities, such as Rutgers. Are there going to be more budget cuts, and how is this going to relate to my classes and the money that I have to spend for college?

ADUBATO: There you go.

Gov. CORZINE: Nanci, I can't make absolute promises about any elements in our budget. When we go to resolving the budget shortfall this year, I'm asking my department heads, my commissioners, to look at every program, and higher education will be one of those. I will say that I think higher education has already contributed to spending cuts and there are other areas that I think we ought to be pressing on before we go there. But I just can't take anything off the table until we actually get recurring revenues to match recurring expenditures on an ongoing basis. That's why I'm willing to take the political risk on the restructuring plan that I've presented and will present in more detail in my state of the state.

ADUBATO: Which is what date, Governor, to let everybody know?

Gov. CORZINE: January 8th.

ADUBATO: On January 8th, the governor will be submitting his state of the state address.

Gov. CORZINE: Right.

ADUBATO: And there'll be more detail on the--it's no longer called asset monetization. It is now called fiscal restructuring.

Gov. CORZINE: Well, the point is we are restructuring the state's finances, so it will have an element that some people might want to call asset monetization, but it is really about restructuring the finances of this state.

ADUBATO: Here we go--and by the way, I just want to let everybody know that Joe is watching us on--in Allentown, New Jersey, on nj.com, and you may just say, 'Well, why isn't he watching us on television on Thirteen or WHY?' It's because our partners are our folks here at Thirteen, where we're doing the program, WHY TV12 in Philadelphia--this is an electronic town meeting--on the radio on 91FM down in the Philadelphia area, and on The Star-Ledger's online home at nj.com.

And we're thrilled that, Joe, you're joining us online, and your question for the governor is?

JOE: Good evening, gentlemen.

Gov. CORZINE: Hey, Joe.

ADUBATO: Good evening.

JOE: My question's related to the No Child Left Behind Act. Do parents have a voice in slowing down the aggressive academic curriculum that has been pushed upon the schools by the No Child Left Behind Act?

Gov. CORZINE: This is not a dodge, Joe. No Child Left Behind is a federal program. It puts certain requirements on the states to be able to get funding from the federal government. By the way, the federal government only funds about 5 percent of New Jersey's public education. They demand a lot more with Leave No Child Behind than what they actually sponsor with their funding, and it's very frustrating for our educational community and for parents and children alike. They have put very strong testing rules, and in fact, a lot of folks think they've forced education into educating for tests as opposed to focusing on giving children the skills to go on to college or go into the workplace. And there's a real debate both in Washington and frustration here at the state.

We do believe in making sure that we understand whether our kids are actually learning the things that we're trying to get out in curriculum. We test here in the state of New Jersey, and we happen to do better than almost any state in the country with regard to test scores in fourth grade and eighth grade, math and language. But Leave No Child Behind has so many tests involved in it and is going to force so many more tests that aren't necessarily aligned with curriculum that a lot of us would like to see it deeply reformed. And it's got a bunch of other problems on how you handle special education kids, kids that are--fit into certain categories that don't necessarily reflect the educational process in a school.

ADUBATO: Governor, are you ready to speak to Margaret in Maywood, watching us on Thirteen, who I believe wants to talk about the rising property taxes that she's facing, along with millions of other New Jerseyans?

Go ahead, Margaret.

MARGARET: Hi. I want to know exactly what's being done about the property tax reduction because personally I have not seen any relief.

Gov. CORZINE: Two things. There were for 1.8 million New Jerseyans a substantial increase in rebate checks. My goal is to have that credited on the bill so people put the check together with their property taxes, the whole point being that if you're getting a reduction that--or a rebate is a reduction--it ought to be off your bill as opposed to me sending out a check to you. We're working on that. Technology and privacy issues are serious challenges to overcome in that process, but that's what we're trying to do. That's a substantial, substantial reduction for a lot of families, almost 20 percent in many instances.

The second thing is there's a whole series of reforms we've taken. The most visible is the cap to limit the growth in tax levies so that we can stop the pace. We've been growing at 6 to 7 percent for the better part of a decade. We're trying to push it down below 4 percent. We'd like to get it to zero.

ADUBATO: Governor, we have to clarify this. Help us understand--the e-mail question, let's get it out of the way. E-mail questions that people have raised, the courts are dealing with it right now, the e-mail that went--the

e-mails went back and forth between you and Carla Katz as it relates to the negotiations or didn't relate to it. The courts will decide. Your position, very succinctly, as to why it's not public is?

Gov. CORZINE: It is an issue of whether you're going to turn over private e-mails or you're not. And you do that particularly in a context of what is called executive privilege. Are you going to be able to communicate with anybody without those communications being public? And, you know, this is an argument that has been going on in Washington; it's being going on in every state house across the country from time immemorial. I believe, not just for my own interests but for future interests, ought to protect executive privilege. I ought to be able to talk to you or send an e-mail back and forth to you...

ADUBATO: And not have it be public?

Gov. CORZINE: Not have it be public.

ADUBATO: OK.

Governor, we have a minute left. First, I want to say thank you on behalf of everyone here at Thirteen and our partners at WHY? TV12, on 91FM, the New Jersey--excuse me, nj.com, The Star-Ledger's online site, and everyone else who was part of this program. I want to thank you for joining us again.

Gov. CORZINE: I'll say thank you going the other way.

ADUBATO: Go ahead.

Gov. CORZINE: It's great for me to have a chance to talk to the constituents, take their questions and stay in touch.

ADUBATO: You--let's make a deal in public that you'll come back again. You did it last time. You said you'd be back, you recovered from the accident, you kept your word, and we look forward to you--having you back here in the studio.

Gov. CORZINE: Be my pleasure. We'll come back in January or early February.

ADUBATO: I've just been told we have 45 seconds left. If you could change one thing--one regret that you have in the first two years of you serving as governor that you'd like to change other than not getting in the accident--by the way, good job on talking to everyone about the seat belts and not speeding. Thirty seconds left, one regret.

Gov. CORZINE: I think we could have done a better job on getting the finances of the state in order sooner, and I wish we had pushed a little harder a little sooner to get that done.

ADUBATO: Governor, appreciate your candor. Every time you're with us you answer every question directly. We appreciate it.

Most of all, I want to say thank you to all of the callers who were part of the program, the e-line--online folks. You've been terrific. This has been CORZINE ON THE LINE. I'm Steve Adubato. We'll see you next time.

Thank you, Governor.

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.

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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Mr. LAURENCE M. DOWNES (Chairman & CEO, New Jersey Natural Gas): Important decisions are being made in Washington that will affect all of us. Hi. I'm Larry Downes. DEMOCRACY WORKS explores the democratic process while educating citizens about the challenges that are facing our elected officials. That's why we're proud to help create an informed electorate by supporting DEMOCRACY WORKS. Thank you for watching.

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.