



MAYOR CHRIS BOLLWAGE

CITY OF ELIZABETH

PRESS RELEASE



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Contact: William Reyes

908-820-4124

## MAYOR BOLLWAGE TO LEGISLATURE: 2.5 CAP WILL NOT WORK

**ELIZABETH, NJ, JUNE 30, 2010**—City of Elizabeth Mayor Chris Bollwage sent the State Legislature a letter indicating that Governor Chris Christie’s proposed CAP 2.5 Reform Agenda will not work due to, among other things, blaring inconsistencies. The letter was prompted when Education Commissioner Bret Schundler rejected a \$5 million dollar tax cut proposed by City Council. The tax levy reduction was a direct result of voters rejecting the Elizabeth Board of Education’s (EBOE) proposed 10 percent tax increase in April.

“The Governor cannot expect municipalities like Elizabeth to hold down a 2.5 percent tax levy cap while his Education Commissioner re-instates a 10 percent BOE tax increase that will result in a \$170 increase per household,” stated Mayor Bollwage. “This is a slap in the face to the electorate that rejected the bloated BOE tax increase and to City Council who worked hard to eliminate waste while safeguarding jobs and programs.”

The letter to the legislature, which is being sent before the Special Session ordered by Governor Christie, details how inconsistencies, like the Commissioner reinstating a 10 percent increase to the City’s BOE, destroys any possibility of the CAP ever working. In addition, Commissioner Schundler’s decisions on school budgets were not consistent throughout the state. According to *The Star Ledger* newspaper, on June 28, 2010 Commissioner Schundler cut \$1.4 million from the North Hunterdon-Voorhees Regional High School District budget; “...this reduction means taxpayers will pay 3 percent less than originally proposed.”

“You cannot say you want to cut waste and bring tax reform about if it is not done across the board in a fair and balanced manner,” said Mayor Bollwage. “It does not make sense to ask municipalities to cut waste and be held to an inoperable CAP then turn around and force a tax increase somewhere else. You cannot make municipalities adhere to a 2.5 CAP and give everyone else carte blanche on spending and increasing taxes.”

Mayor Bollwage reiterated, additional mandatory costs such as the increased municipal tax levy coupled with a stringent 2.5% CAP, only punishes municipalities for efficient fiscal management as well as their continual efforts to safeguard the health, safety, and financial well-being of its residents.

“The 2.5% CAP does not work for New Jersey’s municipalities and especially our state’s residents. This amendment will result in increased hardships and difficulty in providing the services our residents need and deserve. Rewarding institutions such as the Elizabeth Board of Education in spite of the clear rejection of the school budget by the voters, is unfair and clearly demonstrates the inequality of burden sharing throughout not only our state, but in one municipality,” concluded Mayor Bollwage.