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**LUTHERAN OFFICE OF GOVERNMENTAL MINISTRY IN NEW JERSEY**  
*176 West State Street, Trenton, New Jersey 08608*

**TESTIMONY FOR THE SENATE BUDGET COMMITTEE HEARING**  
March 20, 2008

I am Pastor Bruce Davidson. I currently serve as Director of the Lutheran Office of Governmental Ministry in New Jersey. I also serve, along with Bishop Mark Beckwith of the Episcopal Diocese of Newark and the Rev Reginald Jackson, President of the Black Ministers Council of New Jersey on the Steering Committee on Financial Restructuring and Debt Reduction that Governor Corzine has convened.

With admirable political courage, Governor Corzine has presented a State Budget for FY 2008-09 that truthfully indicates New Jersey's serious financial problems. The Governor is right in calling for serious measures to manage state spending, debt and income projections, so that New Jersey can support essential state services. We are heartened that the Governor has prioritized education, public safety and the protection children in his budget proposals.

Social Teaching statements of the Evangelical Lutheran Church in America encourage people to view even one's own household budgets as a "moral documents", spelling out, as they do, one's values and commitments. The budgets of governments too are moral documents. New Jersey's budget therefore, needs to be grounded in justice and in concern for the common good. It must be supported by sound, transparent fiscal policies, and also include honest commitments to protect and serve people in need.

As the Senate Budget Committee considers the State Budget, we trust that you will avoid returning to past policies of irresponsible borrowing and the raiding of dedicated funds. We strongly affirm efforts to reduce debt and to honor promises made to pensioners. It is significant that in the current and two previous State budgets Governor Corzine included limited paybacks to the funds for retirees. This policy should be honored, continued, and, if possible, expanded.

Religious tradition shows that God has particular concern for the most vulnerable among us: the impoverished, the sick, and those who suffer abuse or neglect. Recent studies indicate a growing struggle with poverty in New Jersey. When households face hopeless cycles of need, society and individuals pay a devastating price in lost potential and damaged self-esteem. In this time of growing economic hardship, there is a societal responsibility to keep a "safety net" intact and to expand or develop new initiatives for those struggling to maintain the essentials of daily life.

The Governor's budget proposal for the coming fiscal year includes significant cuts in State spending. However, Governor Corzine has shown remarkable sensitivity in maintaining initiatives that protect vulnerable people. Programs are being preserved that help people with disabilities, families needing emergency assistance, and Food Banks serving the poor. Funding for the State's Rental Assistance Program has been increased,

significantly expanding the number of low-income households that can benefit from it. We urge the Committee to honor all of these proposals.

There is a misperception that programs helping the poor are a huge financial drain on New Jersey's taxpayers. In reality, these initiatives account for a very small portion of the State budget, and often leverage matching Federal funds. History shows that underfunding human services can lead to costly crises in housing, health care and the protection of children. New Jersey will not gain fiscal stability by eliminating or drastically reducing assistance to the poor.

Persistent calls for more or deeper cuts in Government spending may have great political appeal, but cost cutting alone is far too simplistic an answer to the realities facing New Jersey today. Proposed cuts in government spending must be intelligently weighed against the impact they will have on the social fabric and quality of life in this State. We note that some cuts and cost sharing initiatives included in the Governor's proposed budget could negatively impact some low-income people. These and any new proposals that place additional burdens on people in need must be examined with great care. At the very least, The Lutheran Office of Governmental Ministry urges that proposed Medicaid co-pays be eliminated, and Property Tax Rebates for low-income renters should be expanded.

We acknowledge that the current budgetary crisis in New Jersey challenges all of us to consider and engage dimensions of shared sacrifice. New Jersey will be best served if we can find ways to grow in our capacity to provide the best possible educational opportunities, assist those in need, and address the crisis in affordable housing. We strongly encourage The Senate Committee to consider new sources of income and debt reduction, which might allow for expansion of these kinds of initiatives.

Wise budgetary decisions promoting the common good are needed. The exercise of thoughtful, active citizenship is a moral and civic responsibility, so we will encourage members of our congregations to carefully explore budgetary issues and to share their views with elected officials. We will remember you in our prayers, as you face the daunting task of providing strong and intelligent leadership in the days ahead.

Respectfully submitted,  
The Rev. Bruce H. Davidson, Director  
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