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FY09 Budget Testimony
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Good afternoon, Chairwoman Buono and members of the Senate Budget Committee. Thank you for providing me an opportunity to testify today..

I know that it has been a long day and a difficult budget process, so let me jump right into the most important budget issues and numbers.

Let's start with the most important numbers. In short, the Department of the Public Advocate takes one of the largest reductions, as a percentage of its budget, of any cabinet level department in the FY09 proposed budget. In FY08, the Legislature appropriated a total of \$21.557 million, which includes \$1.2 million for the insurance assessment for rate counsel. The proposed FY09 appropriation is down to \$17.615 million, an 18 percent reduction.

This large cut comes almost entirely from the elimination of staffing positions. The FY09 funded staffing level is down to 188, from a total of 227 in the FY08 budget, a 17 percent reduction.

In addition to these significant staffing reductions, the Department also made large reductions to other accounts, including very large reductions in resources for nonpersonnel expenses, including equipment and computer hardware, and other miscellaneous accounts.

One significant cut worth mentioning is the elimination of a technology initiative that would have allowed the entire department to work on "one platform" or case management system.

These reductions were very painful. However, they represent the Department's continued commitment to provide state taxpayers quality services as efficiently as possible. To put these cuts into perspective, the Department costs state taxpayers approximately half of what the Office of

Legislative Services projected in its 2005 fiscal impact analysis of the cost of restoring the Public Advocate.

Demonstrating this commitment to live within our means, the Department of the Public Advocate has continued to partner with the Department of Treasury to meet most of our administrative needs. Under this historic shared services agreement, Treasury provides my Department with its fiscal, technology and human resource functions. This agreement continues to save taxpayers hundreds of thousands of dollars each year.

While the cuts I have described are severe, the Department is still providing the residents of this state with a unique and critical product. Public Advocate projects are too long to list here, and I have provided each of you with a copy of our annual report, but let me take a moment to highlight some key accomplishments:

- The Department has conducted a year-long investigation of the lead poisoning problem in New Jersey. What we found was troubling – although New Jersey has a significant lead poisoning response program, it remains a crisis and there are many cracks in the systems designed to respond to the problem. To address these problems we forged strong partnerships with key state agencies and local officials. Yesterday, Governor Corzine signed an executive order directing state agencies to remedy existing gaps in the system and to improve and strengthen New Jersey's efforts to address this problem and protect our children.
- The Public Advocate has engaged in focused advocacy to protect homeowners, businesses and tenants from abusive and unfair eminent domain practices. The Department played a key role in achieving two landmark rulings, one from the Supreme Court and the other from the Appellate Division, that tighten the definition of blight and ensure that homeowners and businesses receive fair and adequate notice when a community is considering the use of eminent domain for private redevelopment.
- The Division of Rate Counsel saved consumers an estimated \$237 million in 2007 by protecting consumers from unjustified increases sought by utilities in their electric, gas, cable TV, telecommunications and water bills.
- The Public Advocate continues to advocate for cost-effective ways to improve state services to people with disabilities and people with

mental illness. Last month, the Department released a comprehensive study of Residential Health Care Facilities. We visited every one of these facilities in New Jersey. They offer a critical housing resource for some individuals with mental illness. We offered recommendations for how this industry should be strengthened. There are close to 1,000 people in our state and county psychiatric hospitals – the most expensive treatment setting -- who have been cleared for discharge and are waiting for an opening in community-based settings. For some of these individuals, an RHCF offers a viable option, and relying on this resource will alleviate overcrowding in our hospitals.

- Under a recent agreement signed by the Department, the Motor Vehicle Commission and the Office of the Attorney General -- New Jersey will finally come into compliance with the 15-year-old federal motor voter law. The law requires motor vehicle agencies to allow individuals to register to vote when they obtain a drivers license. No litigation was initiated to achieve this important outcome. We accomplished it by sitting down with our sister agencies and negotiating an agreement.
- Finally, the Department's Office of Citizen Relations has helped literally thousands of New Jersey residents troubleshoot problems or conflicts with government agencies. The cases run the gamut – from helping a resident obtain needed welfare benefits at county welfare agencies to helping a business owner resolve complex tax matters and helping a property owner get local officials to take action to stop municipal land from flooding his property.
- For instance, the office helped a small business owner from Denville undo a Labor Department error and reduce his payroll tax obligation by \$117,000.

We have been in touch with each of your offices about the services that our Division of Citizen Relations can provide, and I encourage you to use us as a resource when you are resolving constituent problems.

While I am proud of what the Department has been able to accomplish in the last year, what makes me truly excited about the potential of this Department is how we did it. The Department has yet to initiate a single lawsuit against any state agency or municipality. In contrast, we have worked closely with state agencies, local officials and the Legislature and forged important partnerships and agreements.

I am pleased to say our work with members of the Legislature has also been quite successful.

After writing a white paper on the need to shift the burden of proof in special education cases, my Department worked closely with our sponsors Senator Sweeney and Senator Bucco and Chairwoman Turner last year to pass legislation that will help thousands of New Jersey special needs children obtain needed services.

We also worked closely with Senate President Codey and the Legislature to craft language to amend the New Jersey Constitution by removing offensive language used in that document to refer to people with developmental disabilities and mental illness. We were pleased to provide legal and advocacy support in the passage of the legislation, and we were gratified when voters approved the constitutional amendment by a large margin.

There is a lot more to say, but knowing time is short, let me stop there and answer any questions that you may have.

Thank you for your strong support and advocacy, and I look forward to future collaborations with the Legislature to make lasting positive change for New Jersey citizens.

Thank you again for inviting me to testify here today.