

Voters to decide on \$750M school bond act

By Bob Jordan
New Jersey Press Media

New Jersey is deep in debt, with taxpayers already on the hook for close to \$40 billion in aggregate bonded obligations. But that's not dimming enthusiasm for proposed new borrowing to pay for improvements at both public and private colleges in the state.

The \$750 million Building Our Future Bond Act is on the Nov. 6 ballot. The Stockton Polling Institute says 72 percent of likely voters are in favor of it.

Construction of classrooms, laboratories and other academic facilities would require a 25 percent match by the schools, increasing the value of investment to \$1 billion. It would be New Jersey's largest financial commitment to higher education

since a \$350 million bond referendum in 1988.

Spending the money is a wise move, said Matt Sangster, a Monmouth University senior majoring in psychology.

"I think that's where the tax dollars should go," Sangster said. "It should go toward improving the schools because high-

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er education is where our future is."

Other proponents say it will create as many as 10,000 construction jobs and lead to additional state economic benefits — points disputed by Steve Lonegan, who runs the Americans for Prosperity-New Jersey advocacy group for right-wing industrialists David and Charles Koch.

Lonegan said the schools can get by without the money. He said the state is in no position to take on new debt.

This year's cost to residents to pay back past debt is about \$3.2 billion, according to Treasury Department figures. That's nearly \$900 on average for New Jersey's 3.6 million households.

The debt service on the higher education bond could add between \$43.2 million and \$54.2 million (depending on interest rates and structure of the bond issuance) to the annual tab for the next 30 years, according to the Office of Legislative Services.

State Senate President Stephen M. Sweeney said it would be a mistake not to prop up the higher education system.

"There's people who say the economy is tough, they're not going to want to spend any money," said Sweeney, a Democrat from Gloucester County. "Well, you can't spite yourself. If you want to get this state's economy back up and running, what you're going to do is invest. This is an investment."

The proposal was put on the ballot with a bipartisan push from state lawmakers. Gov. Chris Christie has also thrown support to the measure.

A political committee that has raised \$898,000 from labor and industry groups and colleges is campaigning for passage. The biggest donations have

ON THE BALLOT

Public Question No. 1 on the Nov. 6 ballot

BUILDING OUR FUTURE BOND ACT

QUESTION (yes or no): Do you approve the 'Building Our Future Bond Act'? This bond act authorizes the state to issue bonds in the aggregate principal amount of \$750 million to provide matching grants to New Jersey's colleges and universities. Money from the grants will be used to build, equip and expand higher education facilities for the purpose of increasing academic capacity.

been \$200,000 from PSE&G and \$100,100 from the New Jersey State Electrical Workers.

The political committee has paid \$52,600 to consultants, including \$15,000 to Mercury Public Affairs for public relations work.

Mercury's Westfield office is headed by Michael DuHaime, the lead strategist for Christie's 2009 gubernatorial campaign and a subcommittee chairman for Christie's transition team.

School officials say bonding would help keep a lid on soaring prices for tuition and fees. State residents at the public four-year colleges pay an average \$11,620 for a year of classes — up from \$1,901 in 1990-91, with costs for capital improvements cited as a major driver.

New Jersey is home to 12 four-year public colleges and universities, 19 community colleges, and more than two dozen private institutions. The schools began the year with a wish list of 300 construction projects that would cost \$6 billion if fully built out, but the needs were prioritized to reduce the amount of the proposed borrowing, officials said.

The original wish list for Rutgers alone would have cost \$1.4 billion. The school needed to spend \$29 million on fire safety projects such as work on alarm and warning systems, detection systems, fire suppression methods and exit doors to meet Department of Community Affairs compliance for 700 buildings on the three main campuses and other satellite locations.

The existing Rutgers building inventory includes high tech labs, research facilities, historic landmark buildings and agricultural farm structures. Because most university space was built prior to 1980, officials say significant resources are required to preserve and maintain the facilities, and that deferring work can't continue indefinitely.

Rowan University has an estimated \$150 million backlog of deferred maintenance. Elevator upgrades are needed at New Jersey City University. William Paterson University's Hunziker building, which dates back to the 1950s, lacks proper heating and ventilation and is not fully accessible to those with disabilities, said school officials, who want to add an academic facility for health sciences to the site. Montclair State University wants to build a bio-science building.

If the referendum is approved, Brookdale Community College officials expect it to generate \$16 million for school construction, allowing for build-out of the Higher Education Center campus in Wall, and freeing up on-hand funds for work at the school's Hazlet, Freehold Township, and Neptune locations.

Public research universities, including Rutgers, will get \$300 million if the referendum is approved. The rest of the public four-year colleges will split \$247.5 million. County colleges will get \$150 million and private colleges will get \$52.5 million.