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Congressman Donald M. Payne [D10]

Leveraging Federal Resources for New Jersey's Non-College Bound Students

Summer is upon us and for many high school graduates that means laying out the roadmap for their futures. According to the latest data by the Bureau of Labor Statistics in the U.S. Department of Labor, approximately 67.2 percent of high school graduates in 2007 went on to enroll in a university or college. New Jersey enrollment rates do not veer far from the national average.

However, for some graduates college is not an option to which they can currently avail themselves. For such reasons as lack of financial resources, interest or preparedness, many of our national and state graduates will not be going on to college in the fall.

While our nation’s educational system is more geared toward college preparation, more focus should be paid to outfitting our high school curriculums with courses that can prepare our non-college bound students. We must realize that college is not for everybody. We are only doing a disservice to our youth by improperly preparing them for a life that is not molded by a college experience.

Classes in the visual and performing arts such as dance, music and theatre, as well as trade courses in auto repair, bookkeeping and the culinary arts, are just as important to the fabric of our nation and its economy.

It is true that the makeup of our labor force has changed over time with a shift toward higher skilled labor. However, the Bureau of Labor Statistics has estimated that, from 2006–2016, there will be an employment growth ranging from 6.2 to 13.6 percent for individuals without college degrees but with some vocational or on-the-job training.

In fact, the New Jersey Department of Labor and Workforce Development forecasted that, from 2004–2014, there will be a 9.4 percent and 7.2 percent growth in employment for individuals with moderate and low education/training, respectively.

As a legislator and as a senior member of the House Education and Labor Committee, I have always supported bills that work to ensure the success of our nation’s non-college bound high school students. In 2006, the U.S. Congress reauthorized the Carl D. Perkins Career and Technical Education Act, of which I was a staunch advocate. This law provides individuals with the academic and technical skills needed to succeed in a knowledge- and skills-based economy.

With the assistance of federal resources, states will offer career and technical programs that are academically rigorous and up-to-date with the needs of business and industry. For Fiscal Year 2007, New Jersey received over $25 million in federal grants to implement this law.

The Congress is also set to reauthorize the Workforce Investment Act of 1998. This bill provides workforce development services for individuals over the age of 18 in order to increase their employability, retention and earnings. Through adult education and literacy activities, occupational skills training, and job search and placement assistance, the Workforce Investment Act of 1998 has leveraged federal and state resources to make high school graduates and other adults more competitive in our ever-changing and globalized world.

New Jersey has been working to meet the needs and demands of its workforce and its workplace in order to ensure the employability of the existing and future labor force while promoting the growth our state’s businesses. As Congress works toward reauthorization, I look forward to working on provisions that will better serve non-college bound high school students.

The road that lays ahead for many of our state’s high school graduates can seem nebulous. Many will pursue educations at some of our state’s and nation’s most venerable institutions of higher learning.

However, some will choose not to attend a college or university in the fall. It is crucial that federal and state governments invest comparable time and resources into individuals who do not choose the college track. They are as equally valuable to the growth and prosperity of our nation’s economy as their college-bound counterparts.

Insight

What You Don’t See Can Kill You

By Mary E. Forsberg

State budgets are more than numbers. They are blueprints of society’s values. Who pays what taxes; how much they pay; what programs are supported and at what level they operate – all of these are questions that budgets should answer.

Every state’s budget process is different and New Jersey’s is far from the worst. Some states engage in a complicated, confusing process, enacting multiple budget bills that sometimes include unrelated permanent law changes.

New Jersey generally enacts one piece of legislation and limits its content to revenue and spending. We allow public input during the legislative process and generally pass a budget on time.

New Jersey’s governor plays a powerful role. He alone determines how much revenue is available for the Legislature to appropriate, sets statewide policy priorities and can veto anything in the budget he doesn’t like. Few governors elsewhere do all that.

Legislators have a different role. They review and revise what the governor has proposed, basing their decisions often on their sense of what their constituents need. The resulting spending has come to be called the Christmas tree list, viewed with scorn – sometimes deserved, sometimes not. That said, however, it’s generally easy to identify the appropriation for the fire truck, the special municipal aid and the grant to the local community group.

What is much more expensive and problematic are the big budget deals that slide through with little public scrutiny – billions of dollars diverted from trust funds, programs enacted with no money to support them, billions of dollars in inappropriate borrowing. Most of these make their way into the budget in ways that, unless one knows what to look for, make it difficult to find them.

This is where New Jersey’s budget process fails to do right by citizens. These are the practices that have gotten New Jersey into its current financial trouble. Much of the current mess could have been avoided with better reporting and a more open, accountable process.

One necessary change is for the state to produce an annual tax expenditure budget that lists how much money the state and local governments forego through the tax code – through abatements, agreements, credits, deductions and exemptions. Should Jersey City be allowed to abate property taxes on high-end housing developments when state income taxes provide the majority of support for its schools? Would it make sense to eliminate the research and development tax credit and use the money instead to build a strong economy by improving our transportation infrastructure? A tax expenditure budget would help to promote such healthy debate.

New Jersey also needs what is called a current services budget that annually estimates the future costs of today’s services. It would tell, for example, whether different decisions might have been made if the long-term costs of lowering the retirement age for state employees and providing state-paid health care in retirement for teachers had been laid out explicitly.

Another important reform is to require fiscal impact statements that disclose the expected costs of all legislation. This is mandated now in some cases, but the executive branch is often lax in preparing such estimates, leaving analysts in the Office of Legislative Services to figure costs with no information. The state’s last early retirement program in 2003 is generally known to have cost more than it saved. But when the bill was considered by the Legislature the executive branch made no attempt to quantify its costs.

Issues like these attract far less public and media attention than Christmas tree appropriations, and that’s just the point. The bigger problems are the quieter problems – and they cost a lot of money. More transparency and more thorough reporting would improve the process of budget-drafting and make a better product in the end. Getting the facts and understanding them is the first step to fixing this process.