EDITORIALS

Florio's strong medicine

No one likes to pay more taxes, but in N.J. the Democrats have made a convincing case

New Jersey's Democrat-controlled legislature is on the verge of setting a national standard for financing public education, while it also tries to plug a massive hole in next year's budget. It's all happening so quickly and smoothly that it's easy to overlook the enormity of the political gamble involved:

Will New Jerseyans really accept $2.8 billion in taxes over the next two years simply because it's the right thing to do?

Republican legislators, who have been voting en masse against every tax proposal, apparently see an opportunity for major gains in next year's elections. Their position is predictable but irresponsible, particularly since much of the $600 million budget deficit that must be covered was left behind by the administration of former GOP Gov. Tom Kean.

The state's $12.4 billion budget plan, mostly a continuation of spending practices from the Kean years, increases spending by a modest 2 percent. The $1.5 billion in new sales tax and other related taxes will be used mainly to make up for revenue shortfalls caused by the sudden downturn in the economy.

Gov. Florio's relatively conservative approach to routine state spending stands in contrast to his willingness to revolutionize the way the state pays for the education of its poorest school children.

The governor has proposed a $1.3 billion plan for financing public education that would effectively close the spending gap between the two New Jerseys, the wealthy one that lavishes the best that money can buy on every child and the poor one that offers shamefully less.

The money would be raised through graduated increases in income tax for those who earn more than $35,000 a year ($70,000 for couples). While many of those people could hardly be called rich, their money is desperately needed to upgrade services in some of the most decrepit cities in the country.

Gov. Florio acted without a gun to his head, but on June 5 the state Supreme Court essentially put one there. In a landmark decision it ordered the legislature to place the state's 30 poorest school districts on a par financially with its richest. If the new money is combined with needed educational reforms, it could reinvigorate the old notion that public schools are the principal vehicle for escaping poverty.

The Florio plan recognizes that it's politically impossible, not to mention unfair, to pour enormous new resources into the poorest areas and ignore working-class communities that are barely making it. His program would thus increase education aid to 350 districts, trim it in 100 others and gradually eliminate it for the 250 wealthiest districts.

That proposal, now undergoing only modest changes in the legislature, gives suburban legislators the unpleasant task of increasing their constituents' income taxes, while creating a situation that almost guarantees local tax increases as well.

Democratic state Sen. Matthew Feldman, chairman of the Senate Education Committee, pushed successfully for a modest increase in transition funding to the wealthiest school districts — some of them in his home county of Bergen — to ease the pain of facing a major drop in aid in the next few years.

But it's clear that there is no way for New Jersey to avoid this major round of tax increases. Only the federal government gets away with running year-to-year deficits. And New Jersey, like many other states in the nation, will pay a much higher price in the '90s and beyond if it fails to begin struggling with the challenge of nurturing and educating future generations of schoolchildren.

With that in mind, it is reassuring that some public officials in Trenton are willing to risk their future to give others a chance for one.