

Center on the American Governor - Governor James J. Florio Archive

A Very Divided Government (1992-1994) and A Changing Media (1990-1994)

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Eagleton Institute of Politics

Participants* (Positions in 1990-1994)

Michael Aron	<i>NJN</i> Political Correspondent
David Blomquist	<i>Bergen Record</i> Reporter
Jack Collins	Assembly Minority Leader, Majority Leader and Speaker
Sam Crane	State Treasurer
Dan Dalton	State Senator, Secretary of State
Joe Doria	Assembly Speaker, Minority Leader
James J. Florio	Governor
William Harla	Deputy Counsel
Chuck Haytaian	Assembly Minority Leader, Speaker
Richard Keevey	State Budget Director and State Comptroller
David Matthau	Radio Reporter
Jon Shure	Governor's Press Secretary, Communications Director
Don Sico	Executive Director of the Assembly Republicans
Rick Sinding	Policy Adviser to the Governor; Asst. DEP Commissioner
Rick Wright	Governor's Chief of Staff

***NOTE:** Several other key participants in public policy during the Florio administration were invited but unable to attend due to scheduling difficulties. This includes Brenda Bacon, Robert DeCotiis, Donald DiFrancesco, John Lynch, Amy Mansue and Joe Salema.

Eagleton Participants

Ruth B. Mandel	Director, Eagleton Institute of Politics
John Weingart	Director, Center on the American Governor

Governor James J. Florio: Thank you all for being here and thank you John and Ruth for hosting us for this meeting. I'm enthusiastic about this whole process. The meetings that we've had that John alluded to have all been very productive as far as I'm concerned with good rational analysis of the different issues we tried to cover.

My personal regard for this undertaking is reflected by my thought that it is not about nostalgia. We're not here to reminisce, although it is pleasurable to see many of you some of whom who I haven't seen in a long period of time. I think the main purpose, from my viewpoint, is to look at policies and the implementation of those policies during my administration to see what is or is not relevant to today and formulating policies going forward. And what's interesting to me is seeing how some things have not changed that much. We're still talking about property tax relief. We're still talking about school funding, auto insurance, guns, affordable housing. Those things are all still topics that we obviously didn't resolve.

But the other part that's startling is how things have changed dramatically in many instances. I mean nobody talked about climate change when I was in office. Nobody talked about social media, cell phones, communications the role of newspapers, things of that sort. All of those things have changed. And that dramatic change has really led to the dilemma of policy making in this day and age because changes are occurring so rapidly they're outpacing the ability to formulate policy designed to deal with the consequences of those changes. And that means that we're constantly behind the curve. We're applying old policies to new problems and unsurprisingly it's not working. I mean the best example I can give is the Great Recession of 2008. We should really not be surprised about it because the financial services laws that we were applying were largely from the 1930s. It was still post-Depression laws that didn't understand anything about credit default swaps or interest rate swaps or other types of exotic derivative products. Those were things we're trying to deal with that now belatedly with the Dodd-Frank law and other things. But, you pick the sector - energy, healthcare, financial services, telecommunications - they're all in a state of flux and we're not addressing those problems from a contemporary point of view. So I think there is something that we can learn from the things we've done in the past. It was 25 years ago, but the fact of the matter is it may as well be 200 years ago in terms of my ability to operate a computer.

<group laughter>

My grandchildren's ability to do that tremendous. So things have changed very dramatically. Today we're going to deal with the two topics that John alluded to, the transfer of power, how you formulate policy under those circumstances or divided power as the case may be. And the other part is the media, how the media is different in setting public policy. But the theme is setting public policy in the past and now and the contrast. So thank you.

John Weingart: Thank you Governor. I've asked Rich Keevey, who was director of OMB, to provide some context on the economy at the start of the Florio administration.

Richard Keevey: Okay. I think my thesis is in order to understand the context for fiscal years 1993 and 1994 you have to have some appreciation of the problems that existed in the first two years and the problems that the governor had to address. I've summarized them in terms that are seven major issues the governor was confronted with. One there was a large deficit that he inherited in the current budget that he came into, the fiscal 1990 budget. In fact, it was an action-- \$700 million worth of actions that had to be taken in those six months that allowed the state to end with its lowest surplus ever of \$1 million. They also had the problem of developing a 1991 budget, the first budget which, based upon a whole bunch of reasons including the built-in problems from the budget that he inherited plus the one time issues, that he was looking at a problem approaching \$1.6 billion for next year. The third one was the need to increase revenues.

How do we address this problem without at least considering revenues? We had the problem, the discontinuation of the Uncompensated Care Law, those of you might remember that. Everybody had to pay 19.7 percent tax on their bill. That had expired. The imminent decisions pending from the New Jersey Supreme Court that was going to change the world of school financing for a long time to come. The Joint Underwriting Association having to do with motor vehicle reform. And finally, the desire from a lot of folks to have an impact on reducing the property taxes.

So all seven of those issues really were confronting, I would say, the governor, when he came into office particularly from a financial point of view... I happen to have been there on the transition. I was the budget director at the end of the administration of Governor Kean and was the deputy for most of the year. So I sort of remember exactly the problem the governor had in terms of reducing the budget in a logical way.

The first budget that he submitted we had the sales tax to support it, \$1.4 billion worth of sales tax. A point that I would make is that \$1.4 billion bought not one new thing. It basically was the money to cover the problems that existed, that is the use of one time revenues in the 1990 budget and the solution of the \$600 million, plus increases for Medicaid. Back in those days Medicaid as Governor Kean used to refer to was the Pac-Man of the budget, \$200 to \$300 million each year, more so than the current year, increase in Medicaid. So we had all of those problems. The sales tax was passed as well as the income tax. But just to refresh your memories the income tax was not used in the first budget. That was not used until fiscal 1992. So the problem was solved, so to speak, and we finished the 1991 budget, again, with \$1 million. Unheard of, I will say.

The budget director in New Jersey is also the state comptroller. So in addition to worrying about budget, the budget office also worried about financial statements and ending in the integrity of a balanced budget. So we now move into fiscal 1992 and we now have the income tax invoked. And what was the scenario that

developed? Well, we had a whole new school financing program. We had extensive property tax reform. If you can remember back, we had a circuit breaker concept that the governor proposed. That is people below \$75,000, as I recall, would not pay more than a certain percentage of their income in property tax and the state would reimburse the municipality for that loss. The state took over a large share of county costs, welfare costs, costs for mental hospital patients who used to be charged to the county - A whole range of social services including AFDC and general systems. That was all removed from the county base picked up by the state, a significant property tax relief issue by the state. So you would think with all of that sales tax increase and the income tax increase we would be in pretty good shape. No. There had to be at least two extraordinary actions to get out of the 1992 budget logically. One, everybody may remember, we sold a road to the New Jersey Turnpike for \$400 million. It was a good deal because the state got rid of something they had to take care of. Route 1, we passed it on to the Turnpike. I'm making the best possible light on this.

<group laughter>

Richard Keevey: Second, we accelerated and required the utility companies in the state to prepay a \$1.5 billion over a three-year period of time, including 400 million in the first year. And finally, there was a whole bunch of other stuff revolving around what I call the disproportionate share of Medicaid costs. And we can talk about that later because it really hit the fan in 1993. So we had to do those extraordinary things to get out of the fiscal 1992 budget. So with all of that kind of background, if you will, and in addition we had an early retirement program. It was the first time ever the State had to issue short term notes. Always we never had to borrow to cover operating cost. The first time we did it was because of all of these changes and all of these onetime impacts the state had to go and borrow money to run their operating day. Bill Harla will remember that. I think he wrote the opinion and said yes, we can do that, as long as we pay it back by the end of the fiscal year. And New Jersey has always done that and continues to do that. I digress for a second. Most states don't do that. They roll their debt over. We have a pretty integrity driven budget system from that point of view, anyway. So that's good. So having said that, the economy continues to be poor for the next two years. And all of those revenues that we thought we were going to get for the sales tax and the income tax, they didn't come in. I can remember one other point and I'll shut up. Doug Berman constantly coming over to the budget office, "Run me this scenario. What happens if the economy goes here? What happens if the economy goes-- what happens to the income tax collection?" So we would run an OMB perspective on all of the different scenarios. I think maybe we picked the wrong scenario because the economy never recovered. And our income tax and sales tax never collected what it should have or was anticipated to collect. So we had these continual budget problems year after year. And as we'll see as we talk about '93 and '94 with a whole bunch of other issues including the uncompensated care problem, they continued. We never really got out of the recession in the state until probably fiscal 1995, 1996. So that's the background confronting the 1990 situation. And I'll stop on this; '93 didn't look too good either. So what's the solution from a budget point of view for 1993? And then we can go on from there.

John Weingart: Okay. Thank you Richard. We divided this, at least to begin with, with the people from the legislature talking first and then from the administration and then we'll meld that together. But to start this part, I'll turn to Professor Joe Doria who teaches in this room twice a week.

Joe Doria: Okay. Thank you, John. The important event that took place is that on the second Tuesday of January in 1992 the legislature make-up changed. We went from a Democratic legislature to a Republican legislature with new leadership. The new speaker was Chuck Haytaian. The new majority leader was former speaker, again, Jack Collins who succeeded Chuck but who was the majority leader during that time. Don Sico was the executive director of the Republicans during that period. I was the minority leader having stepped down involuntarily, obviously, from the Speaker's position

<group laughter>

Joe Doria: So that there was a major change as it related to the makeup of the legislature. The Republicans had a significant majority, a veto proof majority at that point. And the process was one of what was going to happen now that the makeup of the legislature was significantly different. The Senate was also at this point and place and time changing over also. Don DiFrancesco became the Senate President. And we had a legislature now that was all Republican in high numbers after the '91 election. So the first question, I think, really is what was the position, where was the Republican majority moving? And Chuck Haytaian obviously worked with the majority leader and his staff with Don on the issue. So what was the first thing that you saw Chuck at that point that had to be done?

Chuck Haytaian: Well, thank you, Joe. And, Governor, it's good to be here. The first part of my agenda was to reduce taxes and that was to reduce the sales tax although everyone was telling me you can't do that. I remember we went to a *Home-News* editorial board and Bob Franks, the late Bob Franks, was with me and the editors asked me, "Well what's your first item on the agenda?" I said to reduce the sales tax by one percent. Bob Franks almost fell off his chair because he did not expect that, nor did I tell him I was going to propose that. It was the first time I came out with that as an issue that we would run on in preparation to hopefully take control. And I had talked to Steve Kalafer, a lot of you folks know Steve. He's a very influential businessman. And Steve had discussions with me and had indicated that it should be reduced to five percent rather than six percent. And I said, Steve, you can't do that. That's \$2.8 billion or thereabouts and we just couldn't do that. So we settled on the one percent. And we settled in the Assembly on the one percent and it became a difficult proposition initially in the Senate and I wish Don [Senate President DiFrancesco] was here so that I don't say anything out of order but since he's not here I can.

<group laughter>

Chuck Haytaian: So we proceeded along with the help of the majority leader and Don Sico to make Assembly bill one, AR 1, our sales tax reduction. And we passed

it. It was the first thing on our agenda. There were many other items that we were looking at some of which were taxes that were put into effect in '91-- '90 and '91 that a lot of our constituents and constituencies around the state wanted reduced or eliminated. And that was the second major item to look at - all of the taxes that had been instituted and that really fell on Don Sico and his staff which was our staff did a great job because we did produce when we got in a budget that Governor Florio's team had indicated would be about \$16 billion. And we were able to reduce that with the sales tax reduction to \$14.9 billion. And then we could talk about the veto of that budget and whatnot as we go on.

Joe Doria: Okay. Maybe some reaction back from the administration as it related to the passing of the sale tax reduction that took place in May of 1992 -- actually it passed on April 2 both houses of the legislature. At that point in place and time Sam, you were the treasurer, what was your reaction and the feedback?

Sam Crane: Chuck Haytaian and I screamed and cursed at each other in his office one day about this issue and have remained friends ever since. They were elected to reduce taxes. And Chuck, I think, is being a wee bit modest that he just came up with the idea of Assembly bill number one. He was going to reduce the sales tax no matter what. I think the administration thought for both the short term and the long term that this was a problem given the outline that we heard earlier. But I think there's also an important part of the conversation that got lost in that while there was this war over the sales tax then Assemblyman [Rodney] Frelinghuysen and then Senator [Robert] Littell and members of Don's staff and the Senate staff were in the treasurer's office working on the underlying budget issues. So that in some ways and I think this is part of what the governor's outlined, it teaches you maybe something that's different from today or different in our politics is that we were going to go to war over the sales tax at some point. But underneath that, there was this quiet working and you remember those sessions where we had them. They sit around the treasurer's conference table and we shared everything with them. They saw it all. We decided that if you wanted to be a partner you're going to have to not only get the glory of-- you're going to have to bear the burden of the decisions.

John Weingart: Did this start after they were sworn in?

Sam Crane: Yes. And I have to give now and perhaps soon to be Chairman of the House Appropriations Committee and a good friend of mine, Rod Frelinghuysen, a lot of credit because he went to school during that session. And I felt as if both in those rooms and private conversations I had with him we were working out some underlying stuff that kept the government going, that made some changes, that achieved some of the objectives that the governor wanted, while the sales tax formed the headlines. And I think that is too little noticed. And perhaps something that may not, if the position was switched or today, be something that would have happened. And I think that was somewhat a measure of we were going to have our political fight, but we weren't going to tear up the house while we did it. And I think that was a difference here. And to this day I have a lot of respect for Rod

Frelinghuysen because he took on the burden. He carried water for you, Mr. Speaker, on the sales tax. But other than that he was a pretty good egg.

<group laughter>

Governor Florio: I can share an insight. This was an experience that I learned something from that I had a number of commitments from Democrats to override the veto... They all went south. One, in particular, the day before the vote pledged to me that he would support my position. The next day, the pledge disappeared. So I learned something out of it.

<group laughter>

Joe Doria: Not a surprise. That was part of the learning process that all of us went through as it relates to sometimes people changing their votes at the last minute.

Chuck Haytaian: But Joe, we didn't need the Democratic votes. We knew that right from the get go. I mean we had 58 votes. What we needed was 54 so there was no reason to negotiate with anyone, quite frankly, on the Assembly side. The Senate side, as I indicated, was a little bit of a problem and that background, some of you may not know. Don DiFrancesco did not want to reduce the sales tax. In fact, his comment to me was, "Well, now wait a minute, Chuck, you made that pledge. And so did John Dorsey, but John Dorsey is not the Senate president. I am." I said well, Don, what the hell difference does that make? We ran on it. We got overwhelming majorities in both houses, veto-proof majorities, and you're telling me now you don't want to reduce the sales tax. And fortunately with Don's help and Jack's help and we got together in Don's office and he wanted a few things to be taken care of which I agreed to and that's how it passed the Senate because I had to worry if we had gotten a veto. And we'll go into talking to the Governor at Drumthwacket about that. But we needed all of Don's votes in the Senate to override a veto.

Joe Doria: What were his objections?

Chuck Haytaian: Who, Don's? He thought the budget could not work with that sales tax reduction. That was his way of looking at it. He, quite frankly, was wrong because as it turned out we got better revenues even with that sales tax reduction. Now, you may say no but the budget was passed.

Richard Keevey: No.

<group laughter>

Chuck Haytaian: It was overridden but it worked. Now, I remember Ray Lesniak getting up on the Senate floor saying, "What Chuck Haytaian did is going to kill children in the street." That never happened. We reduced that sales tax. Granted, the federal environment got better economically. We've no doubt about that. But I remember when that happened, again, when Bill Clinton was running against

George H.W. Bush, Bill had indicated that he was going to bring in, I guess, it was about \$700 million, Governor, or \$900 million. I forget what the total was. And Don and I were in a limousine going down [Route] 287 with the president and we said, "Mr. President, if you want to win New Jersey you're going to have to get that money into New Jersey." He said, no. Clinton said, "I'll do it if I'm elected" and sure enough he did it when he was elected. I forget how much that total was.

Richard Keevey: It had to do with getting retroactive reimbursement or Medicaid reimbursements for patients in hospitals and it was \$400 million.

Chuck Haytaian: Was it 400? Okay. Well, that money came in. So all of the things that occurred, occurred I thought, in a positive way. There may have been some difficulties with the administration. But I remember when we did-- when the governor did veto that sales tax reduction he had asked Don and I to come to Drumthwacket. And I was very forthright, as I generally am, and I said to the governor, I said-- I don't know if you remember this. I said, Governor, you ought to sign this sales tax reduction. And you asked me, "Why?" And I said, well, I think number one for your own political benefit. You'll get reelected if you do it. And we had some discussion and Governor Florio at one point said, "Is this your Russian roulette way of negotiating?"

<group laughter>

Chuck Haytaian: I said, No, Governor. I just believe this is what-- and by the way I mean what was that margin? Twenty-one thousand votes you probably would have gotten reelected if you had signed it but that's a reminiscence.

David Blomquist: John, if I might, I think what the Speaker has come to is the importance of the decision to veto the budget and how critical it was. The budget as passed by the Republican majorities was the last train leaving town. It was the last opportunity that the administration had to pull back from the abyss. And the administration chose not to take that train and went over. I remember how startled the Republicans were as we stood outside the outer office with the copies of the governor's veto message which was written, I presume, by some combination of Messers, Crane, Harla and Shure.

Richard Keevey: Twenty-one pages long.

David Blomquist: It was a wonderful piece of writing that stated the governor's underlying moral principles. But the fact is that voters saw it was bull. And they saw it as bull because someone had come forward with a concrete plan. They had called the governor's bluff. But the governor had said consistently for months and months that there was no way to run the state of New Jersey without the tax increases. And the Republicans by calling that bluff and by the administration refusing to get on that train that was the last opportunity that they had and why that decision is so absolutely critical.

Chuck Haytaian: One question, Joe, that I've held this question from the governor and his administration all of this time. In fact, I asked Don Sico to ask the question and he said, "Why don't you ask?"

<group laughter>

Chuck Haytaian: So I will. The question is why did you veto the budget rather than line item each item in the budget. We would have had to spend months to go over each line item and override each line item veto. Why did you veto the whole budget? We had discussions about that, by the way. I had people come in.

Donald Sico: Alan Karcher was advising us. Cary Edwards was advising us.

Chuck Haytaian: Yes, what would happen if we got a line item veto? What would happen if the budget was vetoed in total? And there were different discussions about that. So the question is why was the budget vetoed rather than line item vetoed?

Richard Keevey: I have an answer. Well, the budget that was given back to the governor had significant cuts in it, major reductions. Homestead Rebate was 500 million. The personnel accounts that let the layoffs et cetera, et cetera. So what was the governor to do? To line item more cuts? There was no-- unless I'm missing something here, there were no options. He either had to sign it the way it is or say it was wrong. We can second guess that. But he couldn't line item veto because if he did line items it would just bring it down further. So he would just be endorsing this. I can't understand the logic of why the governor would line item veto a budget that was, from our point of view, bad to begin with.

Chuck Haytaian: From a political standpoint, it would have been one hell of a headache for us and you didn't think about that as a political aspect.

Richard Keevey: So the governor would have made the problems worse.

Sam Crane: Chuck, the line item veto-- you know it's great being former everything in the room, everybody because we don't have to be there now. But if my memory is clear that the governor can reduce appropriations, he cannot increase with the line item veto. So therefore we thought and believed that the reduction in the Homestead Rebate was a mistake. A line item veto could not correct that. And trust me, we looked at every paragraph because the great late Mike Cole had taught me that you could line item veto words out of a paragraph and change the entire meaning of it. And I carried his wisdom over in that you could take an "and" and a "shall" and a "would" and you could do a whole magic. But in this particular case the way you structured it, and my memory may be a little faulty, we couldn't add back the things that the governor thought was important. So therefore the decision was you either signed it or you vetoed it because you thought that the cuts were wrong. And this is from where I sat as opposed to others might view it, I think, there were a group of us who had a long term concern about the fiscal stability of the state. Because my favorite story in the waning months of the gubernatorial campaign, the reelection campaign, when we were

over fighting for the credit rating because we actually cared about the credit rating. Apparently, nobody else does now and we're just going to be badly rated forever, but that's my only political crack of the day.

<group laughter>

So far. But the point was when you went into those questions in front of the rating agencies in September of a reelection campaign, Rich reminded me of one. He didn't remember the one that I remember. I was asked three questions. What are you doing about the one shot revenues? Because we were full of one shot revenues although compared today we are poor cousins to what happens today.

Jack Collins: That's your second.

<group laughter>

Sam Crane: The second was what are you going to do about the transportation trust fund? And the third is we're beginning to get concerned about post-retirement health benefits in your pension system.

Governor Florio: Let me respond to one of the points. I rejected the suggestions that came from some of our people that I should go after Republican oriented policies and cut them out - agriculture, things of that sort. And then you just mentioned about what was it?

Richard Keevey: The trust fund.

Governor Florio: The trust fund. Yes, the trust fund we actually had a plan for the trust fund. Charlie Marcianti from AFL-CIO and Bruce Coe from NJBIA both agreed to chair support in the second administration for the trust fund gas tax increase which, obviously, never took place. That was the answer we couldn't give because both were committed to do it but we didn't want to do it before the election.

Jon Shure: I want to throw something in and it gets to where I'm going to go later on when it's my turn, but I can't totally wait. The narrative is always important and I think everybody understood that to a large extent the 1993 election was going to be a referendum on the governor's policies most notably in the minds of the public and the media. So with all due respect to the speaker and to David, think about that. So you're going to be the guy who runs for reelection with people saying, "He raised taxes." Then you go, well I raised two taxes but then I cut one of them. That doesn't change the narrative. So I feel like to say that the governor's political prospects are better if he only keeps one of the taxes in the shorthand version of how a campaign goes to me that kind of sounds like the worst of both worlds. You've still got the political albatross. And you've also helped the state lose a lot of money that it needs. I don't know.

David Blomquist: We'll never know. We'll never know. And what we'll never know is whether the governor could have portrayed himself as someone who listened,

who learned, who grew and who adapted to changing situations. It could have been spun that way. Could it have worked? We'll never know. We'll never know. But that was the other option. And I think the point I made stands that once the decision was made to veto the Republican budget, then there was no turning back. And it was clear that the election was going to be a referendum. And having seen by that point not only the change in the legislature but having seen arguably the most popular bipartisan figure in New Jersey politics in that generation [Bill Bradley] come within a whisker of being defeated for reelection for Senate, if there had not been enough warning that it was probably not going to be a sustainable pitch or at least be a very difficult pitch to make the deal was deal one way or the other.

Jack Collins: Well, going back to the election before '91, Chuck had been out front and Donny [DiFrancesco] by silence indicated he might have been there too and it left little room to change once we took control. And as someone who was there and as the momentum was going I'm glad Chuck that you didn't let me hear from Rich Keevey what he tried to deliver because what I just heard today I might change my vote.

<group laughter>

Jack Collins: I didn't understand all of that stuff. I wasn't allowed.

Chuck Haytaian: But Jack we didn't need you. I had 58.

<group laughter>

Jack Collins: I would have been one of the four that wasn't there. But what happened was and I say this and I've said it a number of times since this happened. Chuck Haytaian and Bob Franks just had such control in the most positive sense of our caucus and their arguments from developing a winning strategy in the '91 election and then after that the Senate, even with Donny being a little reluctant they just couldn't stop because there was so much momentum coming out of the Assembly that they had to go along. And as I didn't think as much about it then but I've thought of it a number of times since, maybe the administration didn't quite grasp what we were going to do very honestly continually and I'll come back to that point in a moment, that this was going to be overridden. And it might have been wrong. And long term it might have been a problem and you might even want to point today well this all started in 1991 or '92 fiscal year. It doesn't really matter because politically it just was a bad decision to veto it because we're overriding. And so now we have a budget that's going to work.

And in the next election, as Chuck keeps pointing out, we were able to say well, look, we're still operating. New Jersey is still going and so on. And so whether that entered into it that we weren't going to override. There was not even a question. He wouldn't allow it. I mean you've been in meetings with him Sam and so on. But I will say this and I really take pride in this. I was just talking on the way up with the former Assembly clerk Linda Metzger about this, that through that period, from then on, due to the efforts of the governor and Chuck and Donny for one-- and you

laid it out Sam. The view on the outside was oh these guys were all at each other's throat. I thought that it was really a strong working environment with the breakfast and the donuts and so on. The only other thing I want to say because it's always bothered me a little and I'm going to try and save myself. During that period of time, we overrode the governor maybe twelve times or fourteen times.

Chuck Haytaian: Eighteen.

Jack Collins: Eighteen times. That's the system and we believed we were right with the sales tax and everything else. But it's really not the way that government should be run, that the legislature is doing all of these things. Now, I think the world of this man and I've said it publicly for twenty years. But you were making the wrong decisions there, Governor. We were going to override you and it's not the way government should be. But we were doing it because of what we believed in. And we had a record of accomplishment with the overrides whether or not we should have or shouldn't have. We were allowed to. We did it. But with regard to the sales tax and the budget that year it was never a question. It was in concrete. And however you made the judgment I surely hope you threw it into the mix. They're going to override us.

Joe Doria: Don.

Donald Sico: Yes, I don't know that either of us, either side whether the administration or the legislature had any choice. We're looking for lessons to be learned long term, one of the clear lessons of politics is that you can't turn your back on, the reasons that you got in office in the first place. And we were put there and put there on pretty big fashion. I think we went from 48/36 Democrat/Republican to 58/32 Republican/Democrat. That's a pretty big mandate. And we were put there for a number of reasons. And one of those was reducing taxes. Quite honestly, I'm not sure we would make the same decision now. one of them was repealing the assault weapons ban. There were reasons that we were-- making changes to education was another one. There were reasons that we were elected and we had to follow through on those. And by the same token, the reason that the administration was there was different. And you had to follow through on your obligation to the voters. It doesn't mean that that can't change over time but remember this is the spring following a massive realignment of the legislature in Trenton.

The other lessons that I think can be learned are that successful policymaking requires relationships. And I think that as the Florio administration grew and learned those, relationships improved significantly. I was hoping to see my good friend Bob DeCotiis today because he really did help improve the relationships. I once told Joe Salema, Governor Florio's former chief of staff, who I'm very friendly with that I can never remember a single time-- now, this is a period of two plus years that I called over to Bob DeCotiis on the telephone where he didn't pick up the phone. So there's all sorts of reasons why you can't get to the phone but every single time I called over there whether it was to get tickets to a sporting event or to

discuss policy, it didn't make any difference. He picked up the phone and Joe said, "That's because he didn't do anything else."

<group laughter>

Jack Collins: That was Joe Salema. Just so it's on the record.

Donald Sico: The other part of successful policy making, of course, is having a strong policy shop. And I know Trenton is a small place and this will get out, to this day I have never seen a stronger policy shop than the policy shop that was put together during the Florio administration. When you think about the giants who were there in that policy shop, Brenda Bacon, Amy Mansue, Betsey Ryan, Carl Van Horn. I'm probably missing a bunch of people there were real initiatives and ideas coming from the administration to us that we could consider. And so one of them was and I brought a prop and I'm always reminded when I bring props that sometimes props aren't allowed. In fact, one time we were down at the League of Municipalities and there were the four legislative leaders and Chuck was speaker. And they had a very strict rule, Michael. They said, "You cannot bring any props." And we wanted Chuck to bring an alarm clock so we could ring it and say, "Time is running out. Time is running out." And so Chuck said, "Well, there are no props." I said, so what. What are they going to do throw you in jail? So we brought the prop.

John Weingart: In this case, you have to leave this prop here.

<group laughter>

Donald Sico: So I brought this prop and it's about relationships. The governor wanted to do a new economic jobs initiative. And so Bob DeCotiis and I believe Bill was there and Bob Hughey who you had hired came over to my office and they said, "We need to be able to leverage bonds." I don't know if it was Port Authority bonds or some other bonds and we need the passage of legislation. "And what we're going to do is we're going to do all of these projects around the state. [We're going to put these signs everywhere.](#) It's going to say Governor Jim Florio, Donald DiFrancesco, Senate President and Chuck Haytaian Assembly speaker. And we're going to put them all over the state." They brought one sign for me and one for Chip Stapleton. Those were the only two signs that were ever made, the one that I have here and the one that Chip probably threw away a long time ago. But it worked.

<group laughter>

John Weingart: Governor, go ahead.

Governor Florio: John, one of the sessions that we previously had dealt with economic development during our administration. And I talked about how in the last two years collaboration, that you just alluded to, resulted in the Atlantic City Convention Center, on the Civic Square, on New Brunswick and the Sony Center down in Camden. So we did a whole lot of things during that period time. And it was

just interesting because the conclusion out of the session that we had here was that our approach to economic development - putting money into public sector initiatives which generate private sector benefits - was really different from everything else that's taken place by all governors since that time. The new thing is now providing money to companies so they can hire people. It's a different approach but you're right, the last two years we were able to get a lot done because who is going to be against construction, infrastructure and such? So that was bipartisan in some respect.

Joe Doria: Let me just talk a little bit about the minority caucus at that time, the Democratic caucus. Obviously, those that came back were the true Democrats because of the fact they came from districts that elected Democrats on a continuing basis. And it was a very difficult time. And a lot of very frustrated, very concerned members about what their future was going to be and where things were going. So there were times - and governor you pointed it out - where they did some things that probably were not very intelligent because they were running scared. The Democratic caucus was difficult in the caucus was the opposite of what Jack and Chuck were just talking about. The Democratic caucus at that time was very concerned about where our future lay, about where we would be going and how can we get back into the majority again.

And so sometimes even though I and the leadership discouraged it they went along with something like decreasing the sales tax because they felt that that would be a way for them to guarantee they could be reelected and come back in the future.

I did not think that that was the smartest idea. And unfortunately over time it proved that those individuals who ended up doing that were not the most successful. But there was a very difficult time for the Democratic legislators to adjust to not only being in the minority but being so significantly in the minority with the veto proof majority that it took a while to figure that out. And at the same time they were trying to work with the administration and we tried to work with the administration to help to deal with the issues in the legislature where there was an opportunity to do things on a bipartisan basis.

And, again, I want to emphasize what Sam did. Now, we did have bipartisanship. We were able to work together as minority leader myself and Chuck Haytaian, Jack Collins, even with Don and the staff, we were able to work together on a lot of issues that were important that did not have the same political implications of the budget and the sales tax decrease. But we were able to work on some very positive things during that time such as the transportation trust fund concerns about that. But getting projects like the Atlantic City Convention Center moving, the administration moved, we had passed that at the last minute on the last day of the old session. And so we were able to get a lot of things working cooperatively but it was a difficult time for the Democrats in the legislature.

Michael Aron: How long was it before the Democrats retook control?

Joe Doria: It took until 2001.

Michael Aron: Ten years.

Joe Doria: Ten years. Again, the map, talking about the map. The map was a bad map for Democrats, the one that was put together in '91. So we learned our lesson so that in 2001 we were really ready to get a map that was going to guarantee we'd have a Democratic majority. The '91 map was a terrible map from the point of the view of the Democrats.

Chuck Haytaian: And that could have turned out differently if the tie breaker had been chosen correctly.

<group laughter>

Chuck Haytaian: Because it was a Republican choosing that tiebreaker.

Joe Doria: Right.

Chuck Haytaian: And quite frankly and due respect to the attorney...

Donald Sico: Supreme Court Justice. Chief Justice. [Deborah Poritz]

Chuck Haytaian: Unfortunately, she made a dreadful mistake in 2001.

John Weingart: Let me ask a question about-- I was thinking about the current House of Representatives versus the New Jersey legislature in those years. All of the so-called Young Turks who got elected to Congress have given the leadership, the Republican leadership, John Boehner particularly, such a difficult time. My sense is that didn't happen here. That your leadership wasn't particularly questioned or challenged by the new legislators in your caucus.

Chuck Haytaian: John, we were fortunate. I think we were very fortunate. And a lot of that goes to Don Sico for keeping the staff and the legislators in sync. We were very fortunate that Jack Collins as a majority leader did a lot of backroom politics with a lot of the members to make sure that everyone understood where we were. And that was we had to maintain our majority in order to get the programs we wanted. We had to in case Governor Florio was reelected have that overwhelming majority, veto proof majority. And so it was very difficult for members to take off on their own. Quite frankly, we just weren't going to let them.

<group laughter>

Chuck Haytaian: I mean there's just no doubt about it.

Donald Sico: We weren't that far removed from being in the majority. We had had the majority up until the elections in 1989. So we had experienced chairmen. We had a fairly experienced staff. You know, the staff was drastically reduced when we lost the majority in 1989. And we didn't hire those people back but the core group of staffers were still and, of course, the chairman. I appreciate the remarks that were made by Rodney Frelinghuysen if you're someone who believes in smaller

government Rod Frelinghuysen is definitely the guy you want chairing your appropriations committee because this is a millionaire who buys his used cars from Walter Kavanaugh...

<group laughter>

Donald Sico: ...and not at the price that Walter suggests, at first.

Chuck Haytaian: I'm sorry, Rick, let me just also state that the bipartisanship really started when Joe Doria became Speaker. I'll be frank with you. Joe initially came to me. I was minority leader. And he said, "Let's go to dinner." And I said, why? He said, "Well, have a good dinner and we can talk over things." And that started a yearly dinner between the Speaker and the majority leader-- minority leader. And it was very helpful. Sometimes as I look back more helpful for the Republicans than the Democrats because Joe was a very good person. When he was Speaker he was-- I had some requests and he granted most of them which was detrimental to the next election but it was the way he operated. So I could always let people know that and I do. That it all started, the bipartisanship in the legislature with Joe Doria as Speaker.

Rick Sinding: Can I ask Rich and Sam to comment on the notion that the FY '93 budget was perfectly fine after cutting 1.1 billion out of the amount that the governor had requested. What kind of effects were there? And was there, in fact, an assumption on the part of the administration that some of those impacts were going to be so severe that it was going to be down to the administration's advantage?

Richard Keevey: I guess he's looking at me?

Sam Crane: Do you want to start? You know all of the numbers there.

Richard Keevey: I would say that the budget as submitted, and before it got to the final votes, was falling off of existing revenues. So that, from our point of view, exacerbated the problem of another one percent cut. I can't remember all of the details of it but I do remember significant cuts in Homestead Rebates. I think it was about \$400 or \$500 million. A lot of actions having to do with personnel reductions. We had estimated, as I recall, about 4200 reductions. It ultimately came into about 2200 layoffs. But we had executed an early retirement program and we required furloughs. There was a lot of overtime that resulted in the institutions as the result of those personnel cuts that people had to man the prisoners, et cetera, et cetera. So I mean I don't think the rhetoric was ever that it was going to affect healthcare. I think somebody had mentioned that here. It was these other peripheral actions. There was also some reductions in school aid, so therefore school districts got less money than they expected to get. I can't think of anything more-- although something else just popped into my head. Part of, I think, it was a month later, the Republican majority submitted a piece of legislation that the governor vetoed that told the governor who to reduce, and who to eliminate. Ultimately, it was taken to the Supreme Court because I think the directive in the legislation was you can't lay

off troopers. You can't layoff prison guards. You can't lay off, blah, blah, blah. You could only lay off people making more than \$50,000 who were unclassified. So it was like wait a minute...

Jack Collins: We were feeling awfully good.

<group laughter>

Richard Keevey: So anyway it got the Supreme Court and the Court said this violates separation of powers and you can't do this. It's slightly off target then. Maybe you can remember more things, but I don't remember beyond that.

Sam Crane: I don't remember all of the facts as clearly as Rich does. But I mean this is what happens when you're the executive with a pretty feisty legislative branch that passed the budget that you're required to implement. And following up on your statement, Mr. Speaker, that we made a mistake by vetoing the budget and not going with the sales tax, but then we had to implement the budget. So we had to lower school aid payments. We had to lay off employees which might have pissed off a few public employee unions, all of them. We had to take those other actions. So this the difference between a legislative act and being in the executive branch because at the end of the day, the governorship and the executive branch when things go well, man they're heroes. But when they go bad in the state anywhere regardless of who caused them it all bounces back on you. And you guys, come on, you knew that.

<group laughter>

Sam Crane: Don, come on, smile at least a little bit.

Donald Sico: I will say it's impossible to govern from the legislative branch. And I think that Speaker Collins was pointing that out. It's really not the best way to govern. However, until there was a change in the relationship structure we weren't getting what we needed in order to fulfil our obligations to the voters. And, you know, when Bob DeCotiis got that, I'd give them all of the credit, I wish he was here. But when Bob DeCotiis got there he told me, what he did was he said he went to the governor and to the chief of staff and he said, "Well, they're just going to override us. Why don't we sign some of these bills? Why don't we set aside a bunch of these things that are important to them and see which one we can sign because otherwise they're just going to override us anyway." And my recollection is actually a little different than Speaker Haytaian. I think that in the Assembly we overrode governor Florio as many as 27 times. It didn't go all the way through the process because of the Senate, but 18 times, but as we kept doing it it got easier. It got easier and easier, and quite honestly I admitted this shortly thereafter and I'll certainly admit it today, we overrode on things we shouldn't have been-- they weren't important enough to be override votes. But it just got to be so easy that we just kept doing it but then the relationship changed and it made all of the difference in the world.

John Weingart: Well, let me ask a question about that. I'm going to bring Dan and Bill into the conversation.

Governor Florio: Before you leave that, let me just say, the school aid reductions had the ironic result of adversely affecting the Whitman administration. Abbott versus Burke III or IV or whatever it was occurred during their administration. And the court was very good saying the administration has just done good things but just not spent enough money. So they sent it back to the legislature and the Whitman administration to raise more money that could have been provided by the sales tax.

Richard Keevey: Another point worth making, I think, was the only reason why, for example, in my example of 4200 layoffs and we only wound up doing 2000 was because on January 1, '93 we did get that reversal from the federal government to give the \$400 million which was originally in the budget but then the feds say no we're not giving it to you, the bureaucrats, if you will. The president comes in and it gets laundered by the Senate. So that ameliorated the significant impact. But there was a one-time revenue source which created another problem.

Sam Crane: We probably should move past the sales tax at some point and not discuss it. But I think we have to look at it in the reverse. They only repealed a piece of the sales tax. They didn't repeal the whole tax package. And the only thing that saved Governor Whitman from making even more foolish public policy decisions beyond raiding the pension system, that's my second political crack.

<group laughter>

Sam Crane: No, we're all living with it folks. Governor Christie is living with that legacy. I mean we're all living with that decision today. But the rest of what she did wasn't possible without the actions of this governor because none of those got changed in a regular revenue set. The only way she reduced the income tax was the pension change because she needed the rest of the revenue to do the other things she wanted to do. So when everybody talks about the sales tax, one should not forget that they did not rush to reduce the income tax increase. They didn't rush to do a whole set of other tax increases that very frankly when the economy started cooking in the late 1990s federally, statewide and everything else allowed the next governor to do. I think it was 24,000 votes, 26,000 votes changed the other way we would have inured to the benefit of having really collected the revenue and been able to follow through. So while you did the sales tax which I understand why you did it, the rest of the taxes stayed in place. A footnote that ought to be...

Jack Collins: So you're saying that we really made some good decisions after the initial one?

Sam Crane: No, I think what it is you selected...

Jack Collins: But we didn't take the other taxes out now we're all rolling in money. That's pretty good decision making I think.

Chuck Haytaian: I also think you should look at the fact that Governor Florio's budget was proposed at 16 billion. We reduced it to 14.9 billion. But in real monies as I remember it it was \$100 million that we cut. That \$1 billion could have been reduced in his budget or your budget that you prepared that. As it turns out quite frankly, Sam, you indicated we might have gotten or you might have gotten some public sector unions mad. Well you know what, that's tough because that's your consistency, not mine. And so therefore we wanted these things to be accomplished. And quite frankly we did because although it said we lost the veto proof majority in the Assembly it wasn't because of the policies that we propose. There were four members, as I remember it...

Donald Sico: Two, from Trenton.

Chuck Haytaian: Yes, and two up in Passaic County that lost because they were fights that were between people in their home districts. It had nothing to do with the policies that we proposed. I think it worked out pretty well. I think we catered to our constituency because that's what we said we were going to do. And quite frankly, again, I have to give ourselves credit that we did it. Some people would say, "Well, once you were elected you don't have to do that." Well, that's not the way it worked when we were elected.

Bill Harla: Let me just offer a different perspective. Any administration has multiple voices. And the governor's office, of course, is set up to create multiple voices because you've got the policy shop, you've got the chief of staff and you've got the counsel's office and everyone's got a slightly different perspective, policy, legal, politics and they merge. So I know we've been talking about how do you engage the legislature? And I know that when Bob [DiCotiis] and I got there in January of '92 after the elections I guess we were very conscious of two elements. One is that we presumed the governor was going to run for reelection and we were very conscious of the fact that the Republicans had an absolute veto-proof majority in both houses. So all of our thought and we spent many hours talking about this was about engaging the legislature. And that also looks like, I guess, our individual personalities.

Bob had been on CRDA [Casino Reinvestment Development Agency]. He had been at ELEC [Election Law Enforcement Commission]. He had been actively involved in politics and very much a dealmaker. And it's true, Don, he got more done on that phone than probably anybody ever in the history of New Jersey.

And I had been in government, in OLS. I had worked in the Attorney General's office. I knew the Florio administration very well in the first two years because I had worked on the Turnpike sale. I had worked on the unemployment transfer fund issue, the school funding all of that business. But I also believe in engagement. I spent a year as an assistant counsel in the Kean administration before going back

and forth. And I knew a lot of the people in the Republican majority. I knew Jack Collins. And I told Bob, you know, he's a pretty decent guy. We can talk to him.

<group laughter>

Bill Harla: And I met, Jack, of course, before he was even in the Assembly because he was an administrator at Rowen or then Glassboro when I used to represent the state colleges. And I remember being at Jack's house one day. He was sitting on a John Deere tractor about this big in his yard which is probably about two acres and he said, "I'm going to run for the Assembly as a farmer." And maybe it was four acres, Jack.

Jack Collins: 3.97.

<group laughter>

Bill Harla: So we had a long relationship with a lot of people. So our natural personalities and our political judgment was you can't beat these guys. You've got to engage them. So when it came to that veto issue, I don't remember recommending it. I think we felt we were with Chuck and Jack. And I believe that we thought some kind of line-item approach would be better, not because it was so much policy but because it was a political decision...

But I think we had the issue, governor, with the absolute veto in the '93 budget, June of '92. We had only been there a few months. I think over time that policy of engagement at least from my perspective and, again, we all have our individual points of view. But by the next time the budget came up in June of '93 yes the numbers have gotten better, but if I remember the '94 budget was pretty much a love fest. I mean the budget went through. It was signed. That was important to us from my perspective because now it's June of '93 and you're 3 months away from the election. Our view, at least in the council's office, at least as Bob and I tried to impose it on the lawyers, was to try to negotiate everything you can starting with the notion that in Trenton 85 to 90 percent of everything that happens in the legislature everybody agrees to anyway. Five percent is party position and five to ten percent is negotiable. And that's a question of engaging people. Our view was to try to, at least, within the parameters set by the governor and his policies try to negotiate as much as possible, avoid division, let the governor sign everything. Have him sign everything and take credit. And to show an administration that's in charge and doing good things. And not showing divisiveness and deadlock. And that was at least in the council's office, that was the policy and the approach that Bob and I tried to bring to dealing with the legislature.

Jon Shure: One thing I think is interesting here when a lot of this was going on sometimes at night some of us would go to focus groups that were being held. I remember going to Middlesex County on Route 27. And you sit on one side of the mirror and these people would get to talk for two hours, answer questions and vent. For two hours, they hated New Jersey. They didn't like the governor. Car insurance was terrible. And then at the end of two hours they would be asked by

the moderator, the only question that actually mattered to the whole session was, "So you've talked for a couple of hours. Is your view toward Governor Florio that you've given up on him? Or is your view that you're going to wait until he's been in four years and then make your decision?" And almost unanimously these people who had been venting and really pretty angry said, "I'm going to wait for four years and then make my decision." So the point is, and this will get into the media stuff too, not that it ever felt good to be where we were and to be under siege the way we were. But I think we increasingly felt and I think some of the policy talk points to that is we make our stand in 1993 in an election where you get to say what a candidate gets to say. You get television ads. You get to create a narrative. It wasn't going to be about how many times did he veto something? How many times did the veto get overridden? Did the budget that he suggested get passed or not passed? That wasn't going to be part of an election campaign. Our opponent for governor was going to be talking about broader themes than that. So I feel like as the afternoon goes on I'm getting increasingly unrepentant, governor.

<group laughter>

Jon Shure: But the other point is this, the work of legislators and the work of state house reporters is extremely important to the operations of the state. But it can also get magnified by the people who are involved in it to feel like it's much more known by the public and much more a part of the overarching narrative of a campaign than it really turns out to be. So, you know, right decisions are made, wrong decisions are made. But I don't think any of those decisions really ended up to have the political consequences that would determine a reelection in 1993.

Governor Florio: Just to reinforce Jon's point, I forget whether it was five weeks out, four weeks out from the election we were ahead by a fairly substantial margin. And then the thing that obviously changed things around was my misperception of the impact of a promise for cutting taxes. I just thought it was ludicrous and the editorials were reinforcing my position this made no sense whatsoever. Clearly, obviously, it made sense enough to change.

Michael Aron: As someone who literally wrote a book about...

<group laughter>

Michael Aron: ...about that campaign it's so clear to me in twenty years hindsight that the Whitman economic plan, it was revealed around September 20, I remember the day. I remember John Whitman and her brother hanging out, one or two other advisors. It was in a small room, some university maybe Kean University. She unveiled that plan six weeks before the election. She was about twenty points down at that point. the *New York Times* blasted her in an editorial as you pointed out the next day, but it's what New Jersey ultimately voted for by a slim margin.

Jon Shure: And I remember once talking-- I was invited to go speak at Ray Bateman's political science class here at Rutgers. And he was telling me at lunch, he said, "You know, I was there when Larry Kudlow presented to her all of the

different options of what levels you could cut the income tax. He said, "And I couldn't believe she took the whole thing." And then you can say that was really good politics. You know, you can say it was really good politics to repeal the sales tax. Somebody else could say look at the finances of New Jersey today, when we don't confront these things we pay.

Governor Florio: And my only partisan remark today will be that I was the last governor to fully fund the pension system.

<group laughter>

Chuck Haytaian: Let me ask you a question in regard to the election. I think we all know that Americans love second chances or to give second chances. And I also believe that Americans in New Jersey would have given Governor Florio that second chance if he had done certain things prior to the election, one possibly signing the sales tax reduction. Or signing the budget without vetoing it. Because then he could have said, "Listen we had problems, as was stated here, we had problems when we came in 1990. We had to do certain things that had to be accomplished in our budget. And we understood that. And then when the Republicans took over they said well, wait a minute we can do something different." And if Governor Florio had at that point and the administration had agreed I'll tell you right now the governor would have been reelected. Americans were ready-- New Jerseyans would have given him that second chance. The very fact that it was as close as it was Jon, indicated to me that if he had done that it was very good politics for him to get reelected.

Jon Shure: Well, just one quick point. The haunting nature of a close election is that you could point to any number of things and say, "Well, if we had done this or did that." I would submit to this, and you're right, in a close election who's to say what makes a difference? But I would argue that the vast majority of people who voted in the 1993 election for governor did not know that Governor Florio vetoed the budget two years earlier and it had been overridden. I don't think that was anywhere on people's radar screens. So you could say if he had done it, so who would have known that he did it? It wasn't the people would go, "Oh, I didn't like him but then when he accepted that sales tax repeal I started to like him again." I mean because you have to make this point too, some people like you because you stick to your convictions. So that's why I go back to it can be the worst of both worlds to say okay you might dislike me because I raised the sales tax but don't you like me because-- I mean because I raised the income tax but don't you like me because I accepted the repeal of the sales tax? I think it gets too nuanced to be able to consider that a political victory.

John Weingart: Let me ask Dan because you came from the Senate to be Secretary of State, what was your perspective on all of this?

Dan Dalton: I guess the thing that doesn't surprise me, unlike Chuck and Jack, is their discussion about the overriding of the budget veto. And my perspective, I guess, comes from the fact that not only was I in the legislature but I also knew the

governor for many, many years prior to that. And the one thing I understood about him rightly or wrongly is once he had a principle or a conviction that he believed strongly in he wasn't going to back off. And I remember that in the Congress when he was a congressman. And I remember that-- unfortunately I remembered that several times when I was in the Senate where we had policy disagreements on an issue and he wasn't backing off. So I guess the thing that that veto and his action on the veto didn't surprise me because I believe he felt and I think there was some of us that agreed with him, and I think Jon has laid it out very nicely is that we will see what happens once we get an opponent. And once we get an opponent then we'll be measured as to our next election and that was the governor's thinking, I believe, his thinking. Certainly, it was my belief at that time. The interesting thing about coming over from the Senate at that time was like I was brought over to the administration. One of the thoughts was is that I would help to be a liaison in the Senate for the Senate. Unfortunately, there weren't too many senators there to be a liaison with.

<group laughter>

Dan Dalton: So I don't know if that was such good planning or not. But the thing that I used to try to bring to the meetings when I was involved on any issue is the belief that they're in charge. We have lost. They are in charge. And as a result some of the issues that they now have to deal with were issues that we attempted to deal with and rightly or wrongly, you know, whether we did it well or not well. But my thought was in many of the cases I remember distinctly an early meeting when I was secretary on school funding. And we had members, Bill, I don't know if you remember this at all we had certain people in the governor's office that wanted to readdress school funding. And my thought was why? We had played in that swamp and we had, obviously, gotten dirty. Now it's their turn. And so I tried to bring that perspective to the governor and to his office as far as maybe a little more sort of politically oriented that now is their time to try to do the right thing. And, you know, we'll let history decide whether they did it or not. But certainly it was-- you know the governor's belief was always that he wasn't going to back away. And that we'll see when I-- people will choose then when I get an opponent to run against.

Jon Shure: And I remember around that time somebody in the administration coming to me and saying, "Sniff around and get people's opinion. What do you think it would be like if the Democrats, before, the legislature turned over after the election if the repealed the taxes themselves so the Republicans wouldn't be able to?" And it was like sometimes you have to stand on principle. Sometimes if you did the right thing you've got to say hey, we live with it.

Sam Crane: John, if we could go to something that I think Bill opened up because I think we've been around the sales tax and the budget veto long enough. One of the advantages in the second two years, I think, we had and not only Bill's relationship but I had worked for the Senate and the Assembly and the appropriations committee. And some may remember the Joint Appropriations

Committee used to go to dinner at night. And out of those-- it wasn't a Democratic dinner in this room and a Republican dinner in that room. Everybody ate together.

That's how I met Don and how [State Senators] Moose Foran and Larry Weiss. Moose was dying and his wife called Larry before he died. He wanted to see Larry one more time. That was a legislative bond built out of that process. And how that process with Rod Frelinghuysen and Senator Littell when the legislature switched one of the things we had was at least the legacy of knowing each other. We drank some wine. We told some jokes, very bad jokes and a whole series of things. But it was the tail end, it was the last of what I see what's wrong both in Washington and I think in Trenton today where people don't know each other. They don't have time to get to know people. And over the years I think that's weakened the legislative institution. I think it also has weakened the ability to do something. This isn't Pollyannaish. I mean all through all of this stuff, this whole thing sounds like a huge long discord. But there was another room where we were working out a whole series of stuff. And even during the middle of the sales tax thing there was another level that was going on on the fiscal side and on the policy side. And a lot of that was a legacy of people's relationships of years before.

John Weingart: What are some examples of things that got done in that period?

Jack Collins: I wanted to say as Sam just touched on I felt over the sixteen years I was there and then being out and looking, I remember saying to Governor Whitman one time, I said, governor, let me say this to you. It's not measure your relationship with the legislature and I'll come back to you guys in a second. It's not whether you sign their bill or do this. It's if you talk to them, if you have a relationship with them. Send them a birthday card. And I know she looked at me somewhat befuddled, I felt, and I thought well it's the best I can give you governor. Don't worry about these things, worry about the interpersonal relationships. And I hear, again, the clerk and I were talking on the way up - "Oh, it's not the way it used to be. They come up to me all of the time, Mr. Speaker it's not the way it was when you were here." Now, I remember when I went there in 1985, they would say, "You know, Jack it's too bad you weren't here back ten years ago the way it used to be."

<group laughter>

Jack Collins: So I'm sure it's always that way. But I will say this and I'm looking right as so many the people that I dealt with in the Florio administration were just really high class good people... We have a lot of good things. But it's those relationships. And I'll say this about the governor and Dan you hit on it. I used to always feel he's not going to move off this. Because if you look at the history and he was a congressman for some of my district the man did what he really believed in and wouldn't back off. And what I always thought was high about the governor as we all interacted, and maybe you didn't interact with the governor as much he always was high class, so to speak. You didn't see him berating Chuck or Donny. He might disagree and when he would go public he was like, "I disagree with them for this and that." And that was so very important. And while I'm speaking one more

item... I always view myself as a regular voter in 1984 before I came to Trenton. I was a teacher, basketball coach, father of four and I voted. Probably leaned Democrat but I voted in elections. When I moved to Salem County in 1983 it would have been-- or '79, it doesn't matter, Ray Zane was running for Senate. I'm a regular voter I go in and vote and probably lean Democrat. Across the street or the road from this restaurant there was a picture of Ray Zane running for Senate and he had a V-neck sweater on. I went damn, I like that V-neck sweater and I voted for Ray Zane.

<group laughter>

Jack Collins: Now, I think I was a regular voter. This idea that we're all sitting there all analyzing no. But if you were to ask me for counsel I think the mistake made for the election was when the NJEA and the NRA were able to come together over the assault weapon and the school funding. You had the massive numbers of the NJEA and you had the aggressive...

Donald Sico: Passion.

Jack Collins: I was going to say lunacy. He wants me to say passion.

<group laughter>

Jack Collins: They had all of that aggression put together with the numbers and that carried over in the '93 election. I don't care if it wasn't reported by the newspaper. That's where people were voting.

Jon Shure: I think that's true. I mean I would make this argument it was right to ban assault weapons. If Governor Florio had not banned assault weapons he would have been reelected because the NRA would never have been involved and Hands Across New Jersey and all of that visibility, all of that strategy. I think it was the first policy but it wasn't like the public was saying, "Please ban assault weapons." It was the right thing to do. If we hadn't done it that is something I think you can point to and say he'd have been reelected if he hadn't done that. Nothing to do with taxes except what it meant for the anti-tax movement.

Richard Keevey: So it wasn't the line item veto?

<group laughter>

Jon Shure: No. Not that that wasn't important.

Dan Dalton: I'll tell you what I often talk about and I just take and I've said it before in a forum here, Jon takes the assault weapons and takes them off the table. I would have said take QEA off the table and let's take a look at that the way you guys pondered and thought about it and discussed it, et cetera. Maybe we could have done that a little bit more deliberately. And I think we would have survived the assault weapons ban. I don't have any doubt about it, as a matter of fact, because I'm in a district right next to Jack's and it certainly is impacted by the NRA during

that period of time. I would have ran on it-- I mean I think any Democrat who voted for the assault weapons ban would have survived that.

Donald Sico: One change that's been made in both Trenton and Washington in the name of reform and I don't think that it's been for the better at least with regards to policy and getting things done and that's this whole banning of so called pork barrel. I mean if you can get immigration reform for giving a guy a bridge in his district that's a good trade.

<group laughter>

Donald Sico: Now, you can't give his Aunt Polly a new cookie business, of course. I don't know if there was one change I could make that would affect the legislative branch primarily it would be the ability for folks to bring home the bacon to their district and do it in a transparent way but let them do it and you would get a lot more done if you could.

John Weingart: Are there examples of that?

Governor Florio: I mean, the transportation bill in Washington at this point when you got rid of earmarks you got rid of the ability to put something together. Transportation bills always pass virtually unanimously even when President Reagan at one point threatened to veto it the Republican folks were going to override that if they had a chance to do that because you could take care of everybody's needs. But in the nature of good government we've now put the government to gridlock almost because of the absence of earmarks.

Jon Shure: And to that point, Dan's point too, I think this is something that kind of scares me about where government and politics are heading because I think any time you take on a tough issue when you come in to be the governor or be on the governor's staff and you take on a tough issue I can guarantee you things will break in a way you didn't think they would. I mean, who knew that teachers would be quite that way? Or who knew the NRA-- we knew they'd be mad but who knew they would get involved in the "tax revolt".

But the point is what worries me about that is the only way to avoid that is to not take on tough issues and that's what worries me that as we go along people go, oh no, if we do that we're going to get in trouble or it's going to be hard to recover from that. You know, and all you have the models before you. We came in and we succeeded Governor Kean who I covered in that campaign in 1981 saying "I'm going to cut the income tax. I'm going to cut the sales tax and the economy will take off." So he raised the income tax, and he raised the sales tax and the economy took off because tax rates have nothing to do with that and he got reelected with 70 percent of the vote. So it seemed like something you could recover from. Obviously, there are things about it that are different but point is when I was in college I was a sports writer and every time I covered the baseball coach and asked him any kind of a question his stock answer was always, "Only second guessers second guess." And any of us can say, well only if we had done this or this, who

knows. But there are times when if you confront tough issues you can't plan exactly for the results.

John Weingart: So what was the impetus for the Republicans to start working with the administration once you got passed the budget? I mean you could have had super majorities overruling everything for those two years but you worked together.

Donald Sico: I did just a very little bit of research before coming here and one of the articles that I saw was from 1992. It was covering [Governor Florio's State of the State address](#). Now, remember, we had just taken over the majorities in November of 1991. And Governor Florio proposed an economic recovery fund during that speech. And Chuck Haytaian said very, very nice things in that article in the *New York Times* about that proposal and about the ability to create jobs as the new speaker. But then added, "I wish he had said something about the sales tax." So there was still that animosity. But on the job-creating front we were in tune with virtually anything they wanted to do. And they would wave their magic wand and say well, if you just leverage these few dollars over here, we'll get millions and millions over there and it doesn't really affect the bottom line of the budget." We're all for that, put up the signs. So it was jobs, I think, united us more than anything else during, at least, the first six months. And then after that, not to disagree with my friends, but the budget in 1992 saw cripples and orphans and seniors and all sorts of folks that were put together by their constituencies protesting in front of the state house. It happened. It was there. You can look up the articles. The next budget was a love fest and there was virtually every single person that testified on that next budget testified in favor. In fact, we had to move it to the state museum auditorium because there were so many people that wanted to congratulate us on a great budget.

Chuck Haytaian: I remember with the jobs bills through Don and the staff, we made sure that we went into targeted districts but with a different jobs bills for that legislator who would be up in two years. I mean we were looking ahead. And that's why I question why the administration did certain things two years prior to their election. I mean you've got to look ahead. This is what politics and government is all about, unfortunately, it's the next election. A lot of us don't like that, but that's what it's all about. And if you don't win the next election you don't have a say in what's going on in the government.

Governor Florio: But there's a degree. ...One of the things we talked about was how Bob DeCotiis and Joe Salema brought a different perspective to our administration in terms of taking care of people and doing things of that sort. But you can't do that exclusively. I mean there's a need to put people together to do something and that's really what's being lost, I think, it was lost to a certain degree, it's being lost now even more so. Nobody is aware of the fact that government is there for a purpose rather than just to talk about the next election. I think that's something that's-- my virtue and my weakness is being stubborn.

<group laughter>

Governor Florio: But in fact being stubborn for something you think is right is not totally wrong.

Chuck Haytaian: Well, folks in this room would look at it differently that way. Go out into the street, I've always considered myself a street guy. I talk to the waitresses. I talk to the cooks. I talk to the people that I know are going to vote...

Governor Florio: And they are all interested in the next election?

Chuck Haytaian: No. They're interested in things that they want - not what you want and that's really what it comes down to in my estimation.

Governor Florio: That's a really interesting philosophic difference. I mean just in terms of telling people what they want that's not always the right thing to do principally. I mean people may very well get to understand that what you want is really what they need. We were talking about this before the meeting, public interest. What is the public interest? Well, it may not be who wants taxes? Nobody. Who wants potholes? Nobody. So the fact of the matter is you've got to sometimes bring people along, some people are better at it than I am in terms of understanding and explaining this may appear to be your interest but it really is not. Some people will not respond to that but some people will. So I think it's a difference between the next election being the exclusive thing or nirvana being achievable in the next two years. So much for philosophy.

<group laughter>

<BREAK>

John Weingart: We're going to switch gears slightly and turn it over to Jon.

Jon Shure: Thank you. I think the way the drill is here I'm going to speak for a few minutes and then introduce this panel. I think [John Weingart] is going to introduce who they are, right, and then we're all going to talk for a few minutes and then open it up to everybody else. And you're right when you say this is only a change to some degree, because what we're talking about now is the media, but it's all so intertwined, and I made a promise to myself that I wouldn't come here and make it sound like 25 years later I'm still whining, but having said that I just might.

I want to talk about a couple things that I think we noticed, changes that began to take place during the time when all this stuff we've been talking about happened and then make a few other observations. I think with the passage of time you get the license to ramble, so I might do that just a little bit, but a couple of things. And you can't generalize about the media for sure. I mean, there are different media outlets, there are different agendas, there are different personalities. Just in the small confines of a place like New Jersey in 1990 to 1993 you're talking about 101.5, you're talking about *The Trentonian*, you're talking about *The New York Times*, *The Star-Ledger*, you're talking about a whole different number of things to

where you can't say "Well, the media was this" or "The media was that," but a few things.

I think the nature of the media was changing. We were still a long way away from the Internet. In those days a web site is where spiders lived, but we were seeing some changes in this regard. I think that a lot of news outlets were looking toward how they could align more with their audience and less with the institutions of the state, so I think today you see that in the comments that people are allowed to make online after the articles, but I think to some extent some news outlets are reaching out. How do we become more reader-friendly and less sort of friendly to the institutions of the state? I think the nature of the audience was changing to some extent. People were upset. It was a time of recession. I think that you could argue that some number of years of an assault on government from some quarters was starting to have people buy into that narrative. As we discussed here, the nature of the politics was changing. I go back to Tom Kean. I was there when he signed that tax increase as a reporter. It was five o'clock in the morning, and he got that tax increase because of all the Democrats Alan Karcher got to vote for that tax increase, so there was a level of bipartisanship that doesn't exist pretty much anywhere today.

Michael Aron: Did he hold his nose?

Jon Shure: He said he was holding his nose, but that was great. Talk about the best of both worlds. Alan Karcher used to tell the story saying "Back in the governor's office he's on his hands and knees begging me to get three-fifths of the Democrats to vote for it." Then he goes out and says he held his nose, so I don't know who to believe, but it was an interesting thing.

Chuck Haytaian: Alan Karcher. <laughter>

Jon Shure: Fair enough, fair enough. But talking about the media, when you talk about the media, you talk about the media as actors, but you also have to talk about the media as a conduit, and that's a polite way I suppose to say how you use the media, but my point is that it's there, and this is not to cast aspersions on the media, but everybody's trying to spin the media. Everybody's trying to get their story told through the media, and I think that one of the things that we saw was the development of a really strong counter-narrative to use through the media, which is the anti-tax narrative, because again Tom Kean raised taxes, got reelected. Brendan Byrne raised taxes, but what was starting to happen was more and more people in the political world talking about not just a difference of opinion but how bad taxes are, never mind that all the tax money the state collects goes right back out into the economy, but the point is it became a fault line, and I think that some media picked it up as a selling point in itself. 101.5 certainly made hay on that. *The Trentonian* did. *The Asbury Park Press*, which of course owned the radio station, I'll never forget, because a lot of things would happen during the course of those four years. You go "Really?" So the day before the anti-tax rally in July of 1990 the *Asbury Park Press* has on the front page "Here's a map on how to get to the rally." It's like "Well, when did they put a map on how to get to a civil rights rally or any

other kind of rally?" But here it's like, you know, so a different role of the media but a very strong narrative, and so I think that the challenge that we faced during the four years of Governor Florio's term and a challenge that we did not succeed at, although we almost succeeded in an election context, was to try to create our own narrative, to try to take control of the narrative. And when you're getting beat up like that-- I remember one time talking to a reporter in the statehouse. I said "You ought to take a look at some of the things we're doing. We've got some really interesting programs to help middle-class people buy their first homes and to help middle-class college students," and he said "Why don't you come back to me when he's above 20 percent in the polls?" Okay? Like "Wow. They're playing for keeps here." So those kinds of things, the narrative in the minds of the media, and I give you folks over here a lot of credit for helping to feed that, was "He's under siege, he's in trouble, he's gone," and I told you the focus group said "No, no, no. People haven't decided yet." I remember one time you gave a speech to county prosecutors about some technical changes that the governor wanted to make in the death penalty law, and the lead in one of the papers the next day was "In an effort to take people's minds off taxes, Governor Florio yesterday..." but we were trying to govern...

Well, I don't think the speech to the county prosecutors was going to be about taxes in any case. So one of the things that I learned and I think others before me and after me have learned and we all have that have been in this position is that you come off a campaign where you win 60/40 and you think "You know, we're pretty good at this. We're pretty good at creating the narrative. It's about clean water." And then you think you're going to be able to do that, and the irony of it all is that when you're governing and you think "Well, it's the most powerful governor in the country. We can really shape the narrative," but then when you take on tough issues and there's opposition, it becomes harder and harder to do that. I remember one time the other Mr. Speaker over there-- a reporter comes in and says "What's your response to what Chuck Haytaian said?" And I gave him my response. He goes "Oh, that's just spin." And I go "Well, isn't what Chuck Haytaian said just spin?" And this is part of I think a change too as journalists tried to get closer to the readers.

I don't object to the fact that Hands Across New Jersey was treated as legitimate. I think what I would object to after all these years is they were treated as legitimate but then not held to the standards of what legitimacy should demand, like they've got a million petitions, and I was waiting for a reporter to say "I'm not going to cover that story until you let me count the petitions." So it was just interesting how the outsider was seen as where the credence was, and the last thing I'll say and then we'll turn it over to the panel-- shortly after the election there was a great series of stories in the *Gloucester County Times*, and they were about how the NRA was really the force behind Hands Across New Jersey. Here's all the things the NRA did to help make that thing. Now, let me say when I used to say that to reporters they'd say "Are you saying people aren't angry?" No, I'm not saying that. People are definitely angry, but this other thing has a life of its own. Anyway, he had unspooled all this great information, and so I said to him "Hey, that was a really good series of stories. Gee, I kind of wish they'd run before the election." And he

said "Oh, I couldn't have done that." And I said "Well, why not?" He said "Well, it would look like I was supporting the governor." And I said "Well, wait a minute. You know, I was a journalist. Isn't journalism all about trying to find out what's happening and telling people?" He goes "No. Job of journalists is to-- who's ever in power - hold their feet to the fire, not the people who are attacking them." And I just thought "Wow, it's changed." And I'm not saying we should go back to the days when statehouse reporters had drinks with the governor and everybody was best friends. On the other hand, it did seem like it was going a little too far. Now, you can say, and I think it's fair, we didn't control the narrative partly because of events, partly because some other people on the other side were very good at controlling the narrative, and sometimes you shoot yourself in the foot a little bit too.

I remember sitting at the meeting when the suggestion was made that one member of the cabinet would testify for all the members at the budget hearing, and nobody, including me, said "That might not be a good idea." We all said "Yes, it makes perfect sense. We don't know who these people are, new cabinet members, holdovers. We don't know what they're going to say." And then not long after a story was written in one of the papers quoting some unnamed sources as how, oh, the Florio administration is seen as arrogant, and we're like "What? Arrogant?" So I don't think it was quite hubris, but it's live and learn. Sometimes it sounds like a good idea, and you're not always aware of what the perceptions are going to be, so I think that one lesson is the media's now hugely multifaceted, and you have to deal with it on a number of different ways, and whatever you can develop, as some people are doing, to get around it and create your own almost news outlets is a good idea.

The other thing, as I said before, is things will always happen that can surprise you. The other thing is, and I think we're seeing this happen in politics, is leave very little to chance and work like crazy to control your own narrative. Now, I think a good example of that is happening in New Jersey, where I think Governor Christie has done a really good job over his term of controlling the narrative, and sometimes what that means is "Say the most, say it the loudest and don't give in at all." Whether that turns out to be a good idea in the long term is hard to say. I don't think if he ran for a third term he'd get reelected. On the other hand, he might become president. I don't know, but I think that's one of the overarching things. I think you see people in power working harder and harder to try to control that narrative and be the actor and not the reactor as much as you possibly can.

And then finally fully the last point, my fear, as I said before, though, is that people feel like the best way to control that narrative and not be on the defensive is to simply find ways not to tackle the toughest issues. Just say "Hey, if we cut taxes the economy's going to grow." Governor Brownback had a near-death experience in Kansas with that last year, but I worry that's the trend where things are going to go. I have much more, but we'll wait.

John Weingart: So our panel-- Michael Aron earlier referred to having written the book-- the book was "Governor's Race: A TV Reporter's Chronicle of the 1993

Florio/Whitman Race"-- and is with the TV station formerly known as NJN - NJTV. And David Matthau is with 101.5 and has been covering politics in New Jersey, though not there, for 25 years. And David Blomquist is now the publisher of *The Jersey Journal* but during the Florio administration was with the *Bergen Record*. So welcome to you all.

Jon Shure: Michael, I never read the book, because I knew how it ended. <laughter> So why don't you all share some thoughts? Michael, you're the dean here. Go ahead.

Michael Aron: I'm the dean? Okay.

Jon Shure: You got to get something for that.

Michael Aron: I felt sorry for Jon Shure. I did. Jon and I both were in the press corps in the '80s. He was a great reporter. He was one of the smartest guys I knew in this game, and he couldn't repair Governor Florio's reputation, and neither could another very bright guy, Doug Berman, who was part of that early brain trust and who did appear arrogant when he testified on behalf of every single department.

Richard Keevey: You want to know who really testified?

Michael Aron: Yes. <laughter> You?

Richard Keevey: Bad joke. Yes.

Michael Aron: Okay. I've covered every governor since Byrne, and we've heard the term "under siege" a couple times from Jon and maybe others, and I've never seen a governor under siege as much as I saw Jim Florio under siege in late 1990 and '91, and in jogging my memory in preparation for this session I recalled that in around March or February right after he had been inaugurated *The New York Times Sunday Magazine* featured a photograph of Jim Florio with a tagline something like "The new Democrat" or "The new kind of Democrat."

Governor Jim Florio: It was, "Read my lips: new taxes."

Jon Shure: That's right.

Michael Aron: "Read my lips: new taxes."

Jon Shure: Yes.

Michael Aron: Ahh.

Jon Shure: That's not controlling the narrative. <laughter>

Michael Aron: He was being hailed in late winter of that year as a model for where the Democratic Party nationally was headed, and within two or three months of that thousands of people were throwing rolls of toilet paper at his office window

at the statehouse. That was quite a turnaround, and for about the next year or two the press was trying to figure out how it all happened, how those two tax hikes happened simultaneously, and Joe Doria's name figured into that narrative. I don't remember exactly how. Maybe you can refresh our memories here, but the administration was anticipating a Supreme Court ruling that was going to require more school funding, and I guess Joe Doria-- and I guess John Lynch was the Senate president at the time?

John Weingart: John Lynch was the Senate president, yes.

Michael Aron: And the governor and legislative leaders put their heads together and discussed whether to raise one tax one year and another tax the next year, and obviously the decision that prevailed was to raise them both simultaneously early on, and everybody would forget about it by 1993, which didn't happen. I also remember this guy John Budzash, who...

Joe Doria: Mm-hmm, Hands Across New Jersey.

Michael Aron: Hands Across New Jersey, who kind of captivated us in the media. He was such a flamethrower. He was very colorful, and he led that charge for about a year, year and a half and then totally disappeared. I don't know...

Joe Doria: Well, he turned. He actually turned. He turned, and he ended up spending a lot of time with me...

Michael Aron: What do you mean spending time with you?

Joe Doria: Well, he had a major split with some of the founders of Hands Across New Jersey, and he eventually decided that they had been used and felt very upset over what took place, and he came and spoke to us a number of times-- spoke to me about the fact that the group had been used for political purposes that it was not intended, that it was supposed to be a community-- no, a citizens program but that different groups, the NRA specifically, had used them by providing money as the seed money to get them going and that they became political rather than maintaining themselves just as a citizens organization, and they were used politically against the Democratic Party and against Jim Florio. So he turned totally. By 1992, the end of '92, '93 he was on the opposite end and was fighting with the people that created the organization with him.

Governor Jim Florio: Can I share a Budzash story with you?

Michael Aron: Sure.

Governor Jim Florio: After this all hit the fan I invited the leaders of the group to come to the statehouse, and about four or five, led by Budzash, came there, and we had a conversation. Brenda [Bacon] brought out cookies, and it was a nice conversation, but I said to them "How many people in this group make more than \$75,000?" They all laughed. Nobody does. I said "Well, you're not going to pay any

income tax increase at all." I said "How many people got a Homestead Rebate?" They all raised their hand. "How many people had your JUA assessments on your automobile insurance rebated to you for \$300?" They all raised their hand. I said "What the hell are you doing here? <laughter> This was for you." And Budzash at that point said "Well, I'm going to be a millionaire someday, and I don't like taxes."

Michael Aron: I just want to say two more things before I pass the microphone on. One was I said that for the next year the press tried to figure out how these two taxes happened simultaneously. The other focus of the press was this question of whether the tax hikes were properly "sold" to the public. It became conventional wisdom after the spring and after the budget was signed and the taxes hiked that the Florio administration had not properly "sold" the rationale behind hiking both taxes, and I thought at the time and I still think today if Jon Shure couldn't sell them, I don't know who could've sold them.

Jon Shure: Well, it's not the easiest product in the world, but I think this was part of the discussion too. You can get into the theatre of it, you can let crises emerge, you can lay people off, you can finally say "Well, we tried everything. We have to raise taxes." And I think what others of you have said-- I think part of it, though, was look at the Byrne and Kean models, which was kind of like "The sooner you do it, the more time you have to recover from it." I don't mean to say people forget about it, but people will see some benefits from it. The Homestead Rebates certainly worked in Brendan Byrne's favor. So I think that was part of it, but I remember it was kind of a fetish on the part of the press to analyze this, and that too was kind of-- it was all the horse race, not like "Well, let's see how the state might benefit or not benefit from these policies" and more like "Well, how did he sell it?"

And I remember one time the governor signed the income tax increase in public. I think we did the sales tax increase with no fanfare, and people started to write "In the dead of night he signed a sales tax increase," and so then we said "Let's have a public ceremony, and let's tell the story here that we are raising the income tax in order to-- because this is what the Constitution says-- reduce property taxes." So the governor smiled and said "This is to reduce property taxes," and then people said "Not only did he sign an income tax bill, he smiled when he did it." So sometimes it's a little hard to get out in front of that. <laughter>

John Weingart: David?

David Matthau: Well, I was not with 101.5 when all of this came down, so don't attack me. <laughter>

Governor Jim Florio: I'm over that. <laughter>

David Matthau: But what was interesting was I did cover the initial press conference for-- it was my first full-time news job up in northwest Jersey, and what occurs to me is that you're talking about what previous governors had done and handling things and what was the best way to try to sell this or lay it out on the

table so it would be more acceptable. And I think that one of the things that happened with 101.5 at this juncture in history was all of a sudden there was a different type of voice for the common man and woman, and I guess there was talk radio besides 101.5, but in Jersey it was like a new kind of a springboard for thoughts and ideas. And the thing is you can never control-- you can try to have a policy or you can try to have a point of view about something and approach it from a certain way, but I think what I observed was you can never really control how people are going to take things, and it's constantly changing. Like a lot of times I'll talk to people today about the fact that we can do stuff now as reporters, I can anyway on the radio, and talk about things in a more direct, honest way than I could five years ago, and certainly 10 years ago was very different, and so I think that's always evolving, but this was a point in time I think where you had this kind of opportunity for people to express themselves in a different way, and that was part of the reason why you got the reaction that you got.

I also remember, Governor, when you were touring around New Jersey and talking to every station under the sun trying to explain your position, because I interviewed you about what was going on, and this was up in Sussex County, and that made an impression too, because I don't know in the past if that would've necessarily played out the way it did. So I think there were a lot of different things going on at the time, and actually when I joined 101.5 in 1999 we had a gate around the station. We had become such a lightning rod that there was a locked gate, and if you didn't quite know where the station was it would be tough to find unless you talked to people who had been there, but there a lot of crazy situations where people would be screaming and protesting, and it's like I just got the job at this radio station. It was like "Yikes. I got to go through this crowd." So it was definitely the beginning of something different I think in this state.

Governor Jim Florio: Well, I think the constituency that you were addressing at that time were starting to come out of a recession, but it was still really deep, and the comparability would be Hands Across New Jersey was the early version of the Tea Party...

David Matthau: Right.

Governor Jim Florio: ...so that there are numbers of people who are on the edge of the economy who are very alienated looking for scapegoats, looking for understandings as to why these things were happening, and that was that group that the radio station appealed to.

Jon Shure: And I was just going to say that that's exactly right, but not only did we see what later became the Tea Party, it's almost like we also saw what later became Fox News and what became Rush Limbaugh, just a whole sort of cluster of media outlets and audiences playing off each other in a way that-- and, again, I always talk about how there's things you can't anticipate. On July 1st, 1990, I went to the statehouse. It was a Sunday, but I decided I wanted to go. I wanted to look out the window from the second floor and watch this rally, and I watched it, and I said "This is not nice." And I remember coming in Monday morning...

Michael Aron: It was huge.

Jon Shure: Monday morning I was saying to people-- I said "Let me tell you what happened," and some people were saying "When the summer's over and weather cools off this'll be gone." I said "I'm really not sure," because it was egged on.

And you want to feel sorry for me, let me give you this one. So I decide to go on with John and Ken one afternoon [on 101.5], right? I'm sitting at my desk in the statehouse, and I'm not bad at this, and I'm going tooth and nail. We're going at it real good, and I was really proud of myself. So I came home that evening. My wife was in tears. I said "Didn't you hear me on the radio? Wasn't I great?" And she said "Did you hear what they said after you hung up when they called you a liar?" And so that was part of it. If you called into that station saying "I want to support Governor Florio's taxes," click, they hung up on you. They had a marketing strategy, and they were doing it, and what's interesting about that is just how much that has-- I'm not saying that's what journalism has become, but that is now part of the media. And on the one hand there's actually a piece of it that I like. In the old days before objectivity was invented, which was really a marketing tactic as well on the part of mass newspapers, you knew this paper was a Democratic paper, this was a Republican paper, whatever, and you went with it, and to some extent we're getting back to that. You watch Fox News if your viewpoint is this, you watch MSNBC if it's this, but in the earlier days of it there was more of a pretense of "We're just telling it like it is," and so I think it altered the media landscape in a way. I mean, David, you're next. I don't know if you could say that that affected your reporting, but I think it sort of changed the needle a little bit about where the middle is in this whole thing that's the media.

Chuck Haytaian: Jon, can I interject at this point? Prior to the Hands Across New Jersey, prior to Fox News and the Rush Limbaughs of the world, you had it made with the mainstream media. There's no doubt about that, and everything was going Democratic way, and it got to a point I believe, because I was part of that, that I got fed up with what was going on, and I'm saying "Wait a minute. I want my voice heard, and, you know what, they're not telling the public about the things that I would like to see or what I want done." It was always "Well, a Democrat said this, so it's got to be that way." And when it's changed now it's very difficult for the Democratic constituency. I've had some people say "Fox News? I would never listen to that," whereas I listen to Fox News all the time, because I truly believe it's been a fair and balanced station. Now, other people argue with me, and that's fine, I understand that, but you know what? I never got a fair and balanced situation in the '80s and '90s. Never got it. Now I'm finally realizing I can get it.

Jon Shure: You make a good point. The rise of some of this media was the result of folks with a particular political view saying "We need to create our own media because we're not getting it there." Now, we can argue that, well, over the years I wouldn't say the media in New Jersey has always been Democratic. They certainly endorsed Republicans, and there were times all around the country-- there were plenty of newspapers that Democrats couldn't get a fair shake in, but I hear what you're saying. You felt that at a particular point in time the editorial pages of

newspapers were not favorable toward that point of view. I think that's true, and then we have what we have.

Governor Jim Florio: But there's a median point somewhere between Fox and MSNBC. MSNBC articulates things that for the most part I agree with, but I can't stand the style. The style is to pontificate, and it's being so generalized that fair and balanced would be something that says both sides as opposed to one side versus the other side.

Chuck Haytaian: Well, yes, but, Governor, you get that. Again, I'm prejudiced I guess, but I get that from Fox News. I don't ever get it from CNN or MSNBC or CNBC.

Governor Jim Florio: I suspect if we took a vote here-- we won't-- as to whether people agree with you or not...

Chuck Haytaian: Well, yes, but that's this panel here. I'll give you another panel that they'll totally disagree with what you're saying.

Governor Jim Florio: That's fair.

Jon Shure: David has now had a lot of time to think of his answer.

David Blomquist: Let me kind of chill us out a little bit here, and I want to say some things for the students and scholars who are going to be looking at this archive in the upcoming years, because I think for a graduate student, much less an undergraduate, today who's approaching the events of 25 years ago it is very difficult to understand how different the political culture was in New Jersey in 1990 and that much of the change that you have just seen demonstrated here was something that began during the Florio years. Looking back at my much older stage of life now small things seem important in hindsight, and 25 years later a small moment that happened in the months before Jim Florio took office seems much more important. It's the moment that the cafeteria closed in the basement of the statehouse annex. For many, many years the Commission for the Blind operated a cafeteria in the basement, and nobody except the people who worked in the statehouse came there, but it was the statehouse culture before Jim Florio. Upstairs Republicans and Democrats were at each other in the committee rooms and in the chambers, but downstairs away from the fray people sat around and were just people telling stories, telling jokes, passing around pictures of their kids and their grandkids. If the session was on upstairs and [Assemblyman] Mike Adubato got up to speak you knew you had 15 minutes to go to the can....

Michael Aron: Half an hour.

David Blomquist: ...and to come downstairs and get a cup of coffee. The competition was not always on. Then the cafeteria closed, and informal contact between officials and the press diminished, and within a couple of years the statehouse was a very different place. The competition between the parties in public

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was rougher and tougher. The competition between officials and the media was heightened too. There was this greater element of spin. And most importantly in the cafeteria years the communication all revolved around the newspapers plus among the inside crowd Michael and Kent [Manahan of NJN], who had a classic style of newsgathering that, as we discuss here, may not have been bias-free, but it was at least rooted in some attempt to gather facts and at least a show of evenhandedness.

And within months of Jim Florio with the change in format of WKXW within 90 days of the Florio administration starting there was this voice that was rooted for the first time in a point of view, an expressed point of view, and that importantly gave much more weight to the grass roots. Before Jim Florio media coverage in New Jersey was intellectual at some level. It was based on dialog. And with the rise of 101.5 there was another route of covering politics that emerged. It was a route that was grounded less in ideas and more in emotions. Now, the Florio administration was not responsible for these changes. These were forces that were coming in from a national political culture, and they were also forces that were driven by demographic change within New Jersey.

Let's not forget that part of the reason WKXW became viable as a business was because of the growth in population in Monmouth and Ocean and Southern Middlesex, the senior communities that were going up in Monroe and in Brick, but I think it is arguable that the stubbornness and the determination of the Florio team hurried the change.

The fact is that I think in hindsight that neither the Florio team nor us in the media recognized that what was going on around us was fundamental change that was enduring and far-reaching. We thought we were in a passing thunderstorm, and we were dead wrong. We missed that change because, as Jon points out, the history of New Jersey politics from the post-war Constitution had been that outgoing governors cleaned out the treasury to sew up their legacy, and then new governors, Hughes, Byrne, Kean, raised taxes. Voters got mad, but in the end everybody wanted high-quality government services, so within four years they'd forgotten about it like the summer thunder at Long Beach Island in the afternoon, but that's not how it worked in the Florio years, and most importantly that's not how it has worked since.

Now, today's statehouse press corps is a fraction of what it was. Michael is the last great voice that's left of what was around. Well, some of the change I suppose is not a bad thing. In 1990 there were too many of us who were writing essentially the same thing in different words every day, and it is great to hear a lot more voices that are contributing to New Jersey's democracy, but there is one nagging fact from this change in political culture that I think that scholars who are looking at this archive must consider, and that is I think it is arguable that the generation since Jim Florio has failed to produce a single consistently successful governor.

Yes, New Jersey has had some good moments, but in the 25 years since Jim Florio have we had a governor with a sustained period of consistent political success,

policy success, innovation and ethical responsibility? I would say that we have not. New Jersey's old political culture reveled in having a strong figure at the top even when it disagreed with him or her, a strong figure in the front office. Since then the culture has resisted having a strong figure at the top in the grass roots, in the media, in the quarters in the statehouse, so today the state that not so very long ago created the Meadowlands, NJ Transit, the casino makeover of Atlantic City, the Hudson Waterfront and, yes, the Quality Education Act can't figure out how to fix potholes and pay its pensions. Now, I don't mean to suggest that going back to the old cafeteria culture would solve things. The cafeteria in the basement is long, long gone, and I suppose good riddance to it, but as a people, as media, as public officials, New Jerseyans have lost something in the last 25 years. We've lost a sense of greatness, a sense that somehow we were able to accomplish more together than other states in the union could, and that loss began with the rolls of toilet paper that were thrown at the statehouse during the administration of Jim Florio.

Bill Harla: I think in the governor's administration there was a turning point. I mean, having been in the Kean administration for a year in the counsel's office I guess I would say that the relationship between the governor's office, at least in my observation of it starting with Byrne, and the major newspapers, whether it was *The Record* or *The Ledger* or others, was certainly professional but at some times cozy, right? And I think of like the *Ledger* used to always get the story on the budget, and there would be bad things in that budget, but it always got reported a certain way because they got the story first, right? And that's true in other situations, but there was something about that perfect storm of 101.5 and *The Trentonian*, and they were relentless and of course I thought unfair, because when you have all the facts it seems unfair when they only print just a bit of a story, so in that sense, Chuck, it reminds me-- I mean, to put modern-day reference points, I used to think I guess I would say the *Trentonian* and 101.5 are like Sean Hannity in my view, maybe not Fox altogether, but certainly Sean Hannity, who would-- he takes one fact or two facts, and that's what the *Trentonian* and 101.5 were doing then. And you could be a state worker and go to the cafeteria and have two desserts, and it'd be, okay, "Florio administration takes desserts of the people," I mean, just really stuff every day, big headlines. People bought it, and it really drove a certain narrative, which-- I mean, that was certainly the highpoint I think, but it certainly did a lot of damage and was certainly unfair to our administration, I thought.

Governor Jim Florio: I'll share a story that I think is a commentary on current newspapers. This is about two years ago. I got a telephone call from a reporter, who called me and said "My editor has asked me to ask you some questions about this, this and this." And I said "Fine." She asked the questions, I gave her the answers, and then she concluded saying "Mr. Florio, what's your background?" <laughter>

Jack Collins: And if I may, he has told that story a number of times, so it's accurate. <laughter>

John Weingart: Fox News was a political enterprise-- I mean a commercial enterprise but it was set-up to have a specific point of view. Was that true for 101.5, or was it a commercial initiative that happened to— If it had coincided with a different governor, might it have had a different point of view?

David Matthau: I would believe that would be the case, but I don't know for sure.

Rick Sinding: I have a guess that John Budzash' first call took 101.5 by as much surprise as anything, and when they saw what kind of resonance that it had they just ran with it.

Jon Shure: I think that's right, and I've read that in the past. Basically the marketing plan for the station was "We're going to play oldies music and have a New Jersey point of view on the issues. We're going to be the radio station that's always talking about New Jersey," which was unique at the time. And then this came along, and they were like "Ride this for as long and as far as you can ride it. Don't just ride it. Get in front of it. Help make it happen," and I think that's what you saw, so it's a marketing decision.

A lot of journalistic or media decisions are marketing decisions, but I think it was that. I think if the people who started Hands Across New Jersey hadn't done that I don't think 101.5 would've said "Our strategy is to beat up on Governor Florio." I think it was they saw something, and then they amplified it. And to get back to what I said before about one of the changes that we saw was that the folks who helped that to happen-- and I think this is a national phenomenon now, but it's like you're right, David and Michael. You know, journalists are less cozy with institutions anymore. They really want to kind of cover the grass roots, so one way to get them to do that is to create the grass roots so that they demand to be covered. And so I would argue that I'm not sure that John Budzash and Pat Ralston by themselves could've made themselves the media phenomenon they were, but the help they got-- I mean, we talked about the NRA. Republicans certainly helped too. The radio station helped. Point being that it created something that any journalist could then cover saying "I'm just covering the grass roots. I'm just listening to real people, and, no, I don't hold real people to the same standard that I hold elected officials. It's different." And I think that was sort of the genius of it in a way and that it created a narrative, as I keep getting back to, because so many forces helped it to do that, one of which was the media looking for a way to not be the chronicler of the institutions of the state but to be hearing the voice of the people.

David Matthau: If I may just make two points, the first is-- and I've actually had this as a reporter. I'll go cover something, and people will come up to me and say "Why are you saying such-and-such?" And I had a young woman in tears once who said that to me about immigrants, and I said "Well, I didn't say it, A, the news department didn't say it, A-- or B, and, C, part of the whole point of talk radio is to create a riot," quite honestly. I mean, it's to create an hysteria, get people enflamed, get different points of view, have people jumping up and down, and people are attracted to that, and I don't think it's just New Jersey. I think it's across the country. I think that part of when 101.5 began to really blossom it was at a

point where all of a sudden there was a different type of feeling about this or a different consciousness about it.

But the other point that I wanted to make was-- and I really believe this-- people sometimes blame the media, quote-unquote, for something or "This wouldn't be happening if the media would cover this or that." And just to make sure that everybody understands, we the media don't get together and have secret meetings and decide what our point of view is going to be about things. This sort of happens in relation to the culture I believe, and we're kind of reflective of that, and that's changing all the time, so I think that if something happens and there's a certain kind of a popularity with a type of product that you put out it's a reflection of the culture to a great degree, and I think that if it's not it would just die away real quickly.

Donald Sico: I think Jon is correct in saying that there has always been point-of-view media in this country at least. I haven't researched it in other countries.

Jon Shure: More so in other countries.

Donald Sico: Probably more so in other countries, but in this country, and I don't recommend it, but I just got finished reading a James K. Polk biography, four years in which fully 55 percent of the country that we know today happened during his administration, but the newspapers in Washington at that time, at least how they're described in this biography, were mouthpieces for the political parties and for the Whig Party on the one hand and whatever the other party...

Rick Sinding: Democrats.

Donald Sico: Democratic Party on the other hand. And so I guess we got away from that to a certain extent in the 20th century, and we're kind of going back to it. I really don't have an issue with it. People want to hear what they want to hear. I'll give you an example. When my sports team loses I don't tend to listen to sports radio, because I don't want to hear them talking about my team losing. When they win I listen to it all the time, because I like to hear about that. Now, my team's Ohio State, so they rarely lose. I don't have that problem very often. <laughter>

So I don't have an issue with it. I think that 101.5-- that July 1st, 1990, rally that you talked about, Jon-- I think had the issue solely been the tax increases, even with the paper products tax, even with the other taxes that kind of struck a nerve with people, had it not been for what was done in education and with the Second Amendment that that really would've been tens of people, maybe hundreds of people, but certainly not thousands. I think those two groups gave what political movements need more than anything else, bodies and money, and without that-- so maybe if there was a "mistake," and I don't know that there are mistakes in government, but if there was a mistake made maybe it was taking on too much at one time and alienating too many people and providing the fuel and the fodder for people to act, so...

Jon Shure: Hindsight could suggest that. On the other hand, there are problems. Just go back to one of your points, because I agree with you about opinionated media. I guess to me the line, though, is this. You know, if I met somebody who said "I love watching Fox News because I really like to get the Republican and the right-of-center viewpoint" I'd say "Great, fine," but when someone says "I like watching Fox News because then I get the real story or I get a balanced approach" then I go "Well, even Fox doesn't think they're doing that."

Donald Sico: It depends. When something startling happens, so the most recent example was the terrorist attacks in Paris, traditionally when that kind of thing happened I would actually go to CNN, because I thought... I would get the most recent, not necessarily the most objective, the most recent updates from that channel. But this last time around because I was flipping back and forth Fox had more information quicker than CNN, and I was surprised by that to be quite honest, because I had been the kind of person that would do the other thing. So I think it depends on-- certainly when it comes to politics and the presidential race and congressional elections and that kind of thing and maybe immigration reform and those kinds of issues if you have a point of view and it is the same as Fox News you'll want to watch Fox and not CNBC because it'll just annoy you. You'll want to throw things at the TV if you're watching CNBC, so why would you do that to yourself?

Jon Shure: And there's another point that I think ties into all of this. It's one of the things that I was thinking of when I was preparing for this. One of the ironies that I at least felt, that it's harder to control the narrative when you're in government than when you're campaigning, and why is that? And of course one thing is when you win a campaign 60/40 you also had some help from your opponent, but you don't think that. You think "We did this all ourselves." So Jim Courter in 1989 did not do a good job of controlling the narrative. We did do a good job. Now, he tried to, and this is interesting too, just to digress for a minute. So suppose in planning for the 1989 campaign the Florio team had said "Well, there's no bigger problem facing the state than our finances. We're really in trouble. There's not much money left. We're all facing a big shortfall. Let's have a campaign where we debate how to handle New Jersey's finances." Could we have had that campaign? Would we have won it? Our opponent wanted us to have that campaign. He kept saying "I'm going to cut taxes, Jim Florio's going to raise them." We said "No new taxes. It's not about taxes. It's about the environment, this and that."

So what's fascinating about campaigns is that they're not usually two people with divergent views on the same issue to lay before the voter. Sometimes they are, but often they're two people with divergent views of what the issues are and trying to convince voters "This issue and solution is the issue and solution, not this one." So one person's running on the environment, one's running on taxes. The environmental issue pervades. It would be great if campaigns could be the other way, and the other thing that makes it easier in a campaign than when you're governing is TV ads. In a campaign your narrative is the millions of dollars of 30-second spots that you put on, and I remember thinking when Governor Florio was in office "God, I wish we had millions of dollars to put up TV ads explaining why this

is a good idea. We might win that debate," which is why, to go back to what we're saying about the budget, you get back to this position of "Our time will come in 1993, when we get to put up ads and they get to put up ads, and we'll engage, and one person will win and one person will lose." And to me, granted, history is written by the victors, the governor who raised taxes by more than any governor in the history of New Jersey faced an opponent who promised the biggest tax cut of any candidate for governor in the history of New Jersey, and the election was decided by one percent, so the public was really pretty split on that, and when there got to be a debate over that issue it was kind of engaging.

Rick Sinding: Well, Jon, let me raise a point about whether it would or would not have been appropriate to fight the 1989 election over taxes. As someone who wrote as a reporter at the time that the two sure things that were going to happen was that the next governor of New Jersey was going to be a former congressman named Jim and the other thing was that one of the first things he was going to do was to raise taxes, it was absolutely clear to everyone in the media that that was going to happen. And one of the things that has disturbed me all these years, starting with that-- well, no, starting with elections even before that, was this notion that you couldn't say what you really thought was going to happen during a campaign, and so what you ended up doing was saying things-- it's happened to Brendan Byrne. "I see no need for income taxes in the foreseeable future." That dogged him for three years. If he hadn't said that during the course of the campaign and if it hadn't been as difficult for him to do that-- I mean, I think that one of the problems with modern campaigning is you end up boxing yourself into positions that you can't sustain once you're elected.

Governor Jim Florio: One of the things that I would offer in sort of a little bit of objection to that is that we were campaigning in '89 on the representation from the administration that there was going to be a \$300 million surplus, publicly stated.

Rick Sinding: But why did you believe that when the press corps didn't?

Jon Shure: But it's not a question of whether you believe that.

Rick Sinding: I guess we've had this conversation before.

Jon Shure: Well, let me take it from a-- the media might've thought that, but the media's a pretty small slice of New Jersey, my point being this. If a candidate said "We have to confront this huge budget shortfall," and so one of the first things reporters would do would be go to Governor Kean and say "What do you think about this?" He's like "Oh, there's no shortfall. There's a \$300 million surplus." So how does any challenger for this office get traction, whether it's Jim Florio or anybody else, saying this and then having it immediately refuted by an incumbent governor who four years ago was reelected with 70 percent of the vote and is hugely popular?

Rick Sinding: And a good reporter would go and talk to Rich Keevey.

Jon Shure: Well, but he wouldn't talk to the reporter, not on the record.
<laughter>

Richard Keevey: They wouldn't let me.

David Blomquist: Guys, guys, you're getting farther in the weeds than the voters.

Jon Shure: Yes.

Rick Sinding: Yes, well, that's true.

David Blomquist: Again, one of the sobering things I did in thinking about today was reading over my clips from 25 years ago, and one of the things I'm reminded about is the work that Cliff Zukin and I did immediately in the aftermath of the election.

You may remember that both the *Record* and Eagleton polls had the governor in the final weekend winning by a margin above the statistical margin of error. It so happens that both the Eagleton and *Record* polls were based on interviews by the same company, *Schulman, Ronca and Bucuvalas* in New York, still the best interviewing firm in New York, and the samples were bought from the same company, so essentially the methodology was identical. So we pooled with Eagleton, and we went back, and we spoke to all of the people we had interviewed who had told us prior to the election that they were going to vote for Governor Florio, and we tried to find out what had happened. Was there some policy decision in the last minute that had caused this change? And what we heard was time and again "Well, I got there, and I just thought I'll give her a chance. Give her a chance." In the end the failure to close was not a closure of intellect, it was a closure of emotion in the same way I would argue that what had really closed the door in 1989 on Jim Courter was not whether there had been barrels of gunk on his land but in fact about his approach to telling the truth about himself. It was in the end an emotional decision that carried the way, and in the end the failure to close that one percent was a feeling that a relatively small number of adults in the central part of the state had about what Jim Florio represented as a political figure.

Governor Jim Florio: If I could just share with you, one of the few things I regret about things that I've done was the campaign ad that I let the consultants talk me into against Jim Courter that had him with a Pinocchio nose on some of the environmental questions. I mean, all the things I've done I've been comfortable with, but that's one of the few things that I let the consultants talk me into, having that ad, which was infantile but effective, I guess.

Jon Shure: Well, and one thing I recall too at the end of our campaign we ran some pretty relentlessly negative ads against Christie Whitman, and then the last weekend we ran very positive ads, the feeling being in the end you have to give people a reason to vote for you, and then we lose by one percent, and everybody you talked to afterwards had one of two views. One was "You should've run those

positive spots much earlier." The other was "Why did you stop running those negative spots?" So we call it political science, but it's really political hearts.

Ruth Mandel: Just because I want to have it on the record, I want you to go back to the "give her a chance" and tell me what you mean by that. Is it give her a chance because of the tax-cut promise, or give her a chance-- because you say it was emotional. The tax-cut promise wouldn't have been so much emotional as...

David Blomquist: Ruth, somewhere I actually have on a CD-- someplace I have the-- because Schulman, Ronca and Bucuvalas went back and interviewed all of these people, and I have the verbatims of what they said. It's been 25 years since I read them. My recollection of it was that it did not get very specific in the "Well, I heard her economic plan in her television ads, and let's give her a chance to implement that economic plan." It never really got deeper than the "Well, he's had a chance, and I don't feel particularly great about where we are, so let's give somebody else a chance." That's my recollection of how deep that it was.

Governor Jim Florio: I think the Times actually did a story on that saying that-- and the way they couched it was that after they did their editorials and the editorials from most of the other papers come in and said "This is irrational, this is not mathematically competent" they said that people that they had talked to had said "Well, she at least says she wants to lower taxes. He obviously didn't lower taxes. Therefore, what the hell, let's give her a chance."

Chuck Haytaian: Well, not only that, but I think also the fact that she was going to be the first female governor in New Jersey.

Ruth Mandel: Well, but it's the first time I've heard anybody say that they're going to, especially people who might cross over, vote for someone for that reason, I mean, with regard to her, so that's why I'm interested.

Chuck Haytaian: Yes, let me give you-- our caucus, and I think maybe Jack would agree with this, there weren't a whole lot of positive vibes about Christie Whitman in some of the individuals in our caucus. I don't even know if they were going to vote for her. I wasn't sure, quite frankly, and I went to them and I went to her backers and said "Look, if she loses we're going to lose our majority possibly or we're going to lose members, and so it's in your best interest to help her to win." And I think as time went on the realization was "You know, he might be right. We better give her a chance." And I think when David said "give her a chance" I think it had more to do with that than the tax plan. At least that was my impression at the time, and I was pretty close to our members. Jack, I don't know. Do you agree, disagree? I'm not sure.

Jack Collins: Well, yes, as I said earlier, I think with our members at that particular time there was a warm feeling for the personal relationships with Governor Florio and the caucus and his cabinet. I think the "give her a chance," if I can just focus on that term, was tied very much to her gender, and I think, as Jon said we all know, it's this close an election. It could've been anything, but I think

that the ad that she ran with her daughter at the end of that campaign with her daughter talking about her mother, that just accentuated the "Hey, this is a woman. Let's give her a chance, and how about her daughter? What a wonderful"-- and I just think 21,000 votes-- I would bet there's at least 21,000 that changed just on Governor Whitman's gender and that ad at the end about her daughter talking.

Ruth Mandel: I don't remember the exact numbers, but when we looked at the gender breakdown in that voting, and you may remember this more since you just referred to going back, women voted for Governor Florio, and I remember going around being interviewed and responding to this and saying that had the election been up to women Governor Florio would've been reelected. So it wasn't...

Donald Sico: That's true, but Republicans in order to win elections only need to close that gender gap even slightly, particularly in close elections. I will tell you that there were folks in the statehouse-- I don't know about our caucus, but there were some senators who thought that we would be better off with Governor Florio being reelected, because it didn't make any sense to them to have a new king or queen of the hill leading the Republican Party when they were leading.

Jon Shure: But, you know, in no way is this scientific or anything, but I do think that there are women in New Jersey who might have voted for Governor Florio had he run against a man who decided to vote for a woman. I mean, I don't know how many, but there only needed to be 10,000, right? Just as in 1989-- I remember the letters we used to get, and I used to read all these letters. "So I'm a Republican woman. I'm voting for Jim Florio because I can't take Jim Courter's position on choice." So people go both ways. In a close election you can talk about the NRA, you can talk about the Quality Education Act, you can talk about the veto. You can also arguably say in an election that close if Christie Whitman were Christopher Whitman she'd have lost. Who knows.

John Weingart: Are there any lessons out of this for the new gubernatorial race or is it too much ancient history for the people running for governor or becoming governor in two years of how you navigate the 21st century press corps?

Governor Jim Florio: I think one of the things that's different is there's no question about what the fiscal problems are going to be. I mean, in 1989, yes, the difference between someone promising a \$300 million surplus and finding a \$600 billion dollar deficit when you come in, there's some ambiguity as to what the situation is. The next governor has to know that the thing is going to be unsolvable, so I think that's a big difference.

Rick Sinding: There's also a totally different media environment today. I mean, totally different. For all practical purposes-- Michael, you know I love you-- there is no statehouse. The statehouse press corps has virtually ceased to exist compared-- I mean, we used to pick up the *Ledger* on a day after a legislative day, and there were two full pages of actions in the legislature. You never see anything in the *Ledger* about anything that happens in the legislature. I think in many ways the governor today has it much easier than the governor had it 20 years ago, not just

because of 101.5 and that particular phenomenon but because there's practically nobody covering the statehouse.

Jack Collins: Well, it's interesting you would say that, because, again, to refer back to the clerk on our way up-- I bent her ear all the way up, but I said to her "Interesting that Governor Florio-- the press was hard on him and so on." I get the South Jersey Times, which is an extension of the Star-Ledger, and I said to my wife and I said to Linda on the way up "I have never seen the vitriolic attacks on a governor that are going on right now with the editorial board of the *Star-Ledger*, Paul Mulshine and Tom Moran." It's unbelievable. It's just unbelievable. Now, it might only be two people on an editorial board, but he's like a saint compared to what they're doing to Christie.

Governor Jim Florio: There's a news story today that should've been on the editorial page. I mean, I have not had great support for Governor Christie's programs for the most part, but there's a degree of vitriol, as you say, that just is irrational, and the editorials are tough, but when you have the editorials in the news articles that's, beyond the pale.

Michael Aron: I'm reminded that Jim Goodman, who used to do *Reporters Roundtable* [NJN/NJTV news discussion program] regularly, along with David Blomquist, who was one of the original four reporters who we used to have on once a month when it started in 1989, a gubernatorial year, as a monthly program. It was David Blomquist, David Wald, Jim Goodman and Sal Paolantonio, and that was a good group.

Jack Collins: Yes, it was.

Michael Aron: But Jim Goodman acquired a reputation around the statehouse as an apologist for Jim Florio and the tax hikes, and so what passed for vitriol in those days was a bumper sticker that said "Annoy Jim Goodman. Dump Florio." <laughter>

Jack Collins: I remember that.

Donald Sico: I think unfortunately, Jon, for the next gubernatorial election, and I think this is unfortunate regardless of your political party, that it's going to be dominated by these independent expenditures and that the media's going to have precious little influence on it. Even the candidates' expenditures, and I know the independent expenditures are not coordinated, but even their expenditures are going to pale in comparison to what's going to happen. And if you look at the last legislative elections-- and legislative elections, it's for a job that pays \$41,000 a year.

Man: Forty-nine.

Jon Shure: Forty-nine.

Donald Sico: Forty-nine? Oh, did it go up? Okay, good.

Chuck Haytaian: What happened to us, Jack? <laughter>

Donald Sico: I just think it's going to be an incredible amount of money and unfortunately an incredible amount of money distorting the issues. I think Governor Florio is absolutely correct. There's no question this time around for the next election what the issues facing the state of New Jersey are. There isn't. We know what all of the issues facing the state of New Jersey are because we haven't solved them for the last 10 years, so they're still there. We've come to know them, but they're not going to be debated, I don't think, in this next gubernatorial election. I'd hate to predict, but it's not going to be about stuff that we should be talking about and what we care about.

Governor Jim Florio: Well, you can't afford to talk about anything that's meaningful, because if you talk about it somebody's going to say "What are you going to do about it?" and there are no options whatsoever that are palatable, so you don't talk about anything.

Jon Shure: That's right.

Bill Harla: I could just have a point of privilege I guess, which is it's inevitable in a group like this that we're going to probably focus on politics and tactics and talk about conditional vetoes versus absolute vetoes and should we have run positive ads at the end, but I don't think I can leave here without saying we did a lot of good things certainly in the entire four years, but I was there for the last two. [Governor, you signed hundreds of bills](#) that reformed the small healthcare market, environmental laws, auto insurance, tons of good things, and I'm very proud to be part of that administration with you at the top so principled, full of integrity, so I think that has to be said.

Chuck Haytaian: But I also think, Bill, and I agree with you, that the legislature had something to do with that. There was no way those bills were going to pass if we didn't agree and work with the administration, and I give that credit to Don Sico. I'll be honest with you. Don did one hell of a job as my executive director to start, and a lot of that coordination was done by him. It's unfortunately that Don DiFrancesco is not here, but I can imagine the difficulty Don may have had, although he's never told me that, between the Senate and the Assembly in getting a lot of that legislation that you just pointed out that was signed that was part of the Florio administration that the legislature had a lot to do with.

Joe Doria: You mean there's problems between the Senate and the Assembly?

Donald Sico: We used to say that the Democrats were our adversaries, but the Senate was our enemies. <laughter>

Joe Doria: That's a whole nother discussion.

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John Weingart: We'll save that for next time, but I think, Governor, we've sort of come to the end. If you'd say some closing words...

Governor Jim Florio: Well, just to conclude, I think it's interesting to note that difference of a sense of responsibility, and when you're in responsible positions because you're in the majority then you've got to collaborate with the executive. This is with the Congress and the president or the legislature and the governor. And I think there's something there that should probably be explored by some scholars as to what it is that is the dynamic that allows people to go from a group of people essentially totally being against everything, and then when they have authority to do things they have to negotiate even with their adversary if it's an executive position. But just in conclusion I want to thank everybody for being part of this, and hopefully the end result when it gets put together will be something that's useful for people.

John Weingart: Thank you all.