



**Ciattarelli for Governor
Announcement – October 4th, 2016
Manville High School
Manville, New Jersey**

For those of you accustomed to seeing me with hair, my health is just fine. And, no, Trenton has not finally caused me to pull my hair out. Sunday before last, a great many of us shaved our heads for children's cancer research. We raised more than \$50,000. Some of the people who supported my shave are here today – THANK YOU.

I want to acknowledge and thank my wife and four children, two of whom are here today while the other two are away at college. Their sacrifices make my public service possible.

I greatly appreciate the Manville Board of Education allowing me to be here for today's announcement.

My father's parents immigrated to this country and settled in Raritan Borough nearly 100 years ago. My mother was one of eight children, born and raised in Brooklyn. My parents also settled in Raritan Borough, raising four children. Between the two of them, they had but one high school diploma. What they did have was integrity and a great work ethic. Working hard, sometimes at two jobs each, they provided a modest and comfortable middle-class life. They gave to their church, their community and were willing to do whatever was asked of them by their state and country. They never expected anything in return. Who they are is who I am.

I attended the local public school system. I spent summers swimming in the Raritan River. I attended Seton Hall University, earning my bachelor's and master's degrees, followed by passing the CPA exam. I've started and owned two very successful businesses. I've created good-paying jobs and provided my employees with benefits. I've lived the American Dream. New Jersey, the state I love, will always be my home.

I've been privileged to hold public office. But I have never been defined by politics, nor have I ever seen it as a career. I do feel strongly about serving our community and state in the hope of making it better.

I will always be a citizen, husband and father first, and an elected official second. That's why I'm as frustrated as the next person about all that is wrong in New Jersey. We need change. I've seen Trenton from the inside – IT ISN'T WORKING.

I have the utmost respect for the legislature and those elected to serve in it, but I did not go to Trenton to vote on the state song, the state butterfly or stink bugs. And as much as I enjoy groundbreaking, ribbon-cuttings and parades, that's not why the citizens of the 16th Legislative District sent me to Trenton.

After nearly five years in Trenton, as one of 120 legislators, I've come to the realization that the only way to make the change we need is from a different seat.

I feel very strongly about doing right by the people of my district and the people of New Jersey. I am determined to make this state a better place to live, work and retire. I am committed to charting an entirely different course. A new direction. A more prosperous future for our state. And so, today I declare myself a candidate for governor.

Manville is a very civic-minded and proud community. It is one of most resilient communities in all New Jersey. It is also one of the most disadvantaged when it comes to state school funding.

Let me be clear: despite the lack of state support, the Manville School district offers as good an education as you will find anywhere in New Jersey. I know: in representing this great community for close to 10 years as a Freeholder and State Legislator, Manville students have impressed me time and again. The success of this school district is a direct result of the dedicated efforts of students, their families, the Board of Education, the superintendent, administrators, educators and all other school professionals.

State school funding is the one issue above all others that holds the key to improving New Jersey. Know this: we cannot solve the property tax crisis or the pension crisis until we solve the school funding crisis. The three are inextricably linked.

There are nearly 600 school districts in New Jersey. It is well known that two hundred – 200! – of these districts are overfunded by the state. Said another way, these districts receive more state aid than they should. How much? More than half a billion dollars in total.

This inequity is causing a crowding-out effect of epic proportion, causing some school districts to suffer unfairly; pensions to go unfunded; and property taxes to skyrocket. We can't afford to go down this path any longer. The people of this state deserve better.

Manville is one of the 200 underfunded districts. For the 2016-2017 school year, state aid to Manville is \$9 million less than it should be. \$9 million! That's 43% of its school budget.

When an \$800,000 home in Jersey City pays less in property taxes than a \$300,000 home in Manville . . . When three new schools are opening in Jersey City, paid for not by Jersey City, but 100% by the state . . . When people living in million-dollar townhomes in Hoboken can send their children to free Pre-K, paid for not by Hoboken, but 100% by the state. Manville, by the way, recently had to sacrifice library space for more classrooms and it doesn't get a dime for free Pre-K.

State aid, in all forms, was never meant to be a subsidy in perpetuity. It was a bridge until a community could stand on its own. Jersey City and Hoboken are just two examples of communities that now can. We celebrate Jersey City's and Hoboken's revitalization.

But there is no denying that state school funding is terribly flawed, it is blatantly unfair and, in my opinion, a violation of Manville's right under the 'equal benefit' clause of the New Jersey Constitution.

Manville is not alone. A great many school districts – in every section of the state – are also underfunded.

Make no mistake – when we talk about there being a property tax crisis in New Jersey, we need to start being honest. Nobody likes paying property taxes, but the fact is there is no crisis in communities whose school district is overfunded. There is no property tax crisis in Jersey City or Hoboken. There is a property tax crisis in Manville and the vast majority of other towns throughout New Jersey.

We need to reform state school funding. We need to make it fair, we need to make it right, we need to make underfunded districts whole and we need to do it now.

The challenge is, we've been heading in the wrong direction for decades. Under both Democratic and Republican Administrations and State Legislatures, we've reached the tipping point. We're on the brink. We are last in economic growth, drowning in debt, unable to fund core priorities like infrastructure and pensions, crippled by rising property taxes and paralyzed by an unfair school funding formula that cheats children, taxpayers and school employees. Instead of real solutions, we're stuck with commissions and task forces that talk about problems instead of solving them, and special interests that spend tens of millions each election to preserve the failed status quo.

We need leadership. We need a plan.

We need a comprehensive and dynamic plan worthy of bipartisan support. A plan we can honor and afford. A plan that acknowledges our fiscal realities, while setting the stage for long-term prosperity for all citizens. A plan that creates a 'tide that lifts all boats.'

I have a plan – a five-point plan. A plan that, from this day forward, will be central to my candidacy and, if elected as governor, the focus and goal of my administration.

There is no more time for platitudes, rhetoric or pandering. People know nonsense when they hear it. People need solutions and they want specifics. Here they are:

Point 1 – School Funding Reform

- Excess aid must be reduced in all overfunded school districts
- The most underfunded districts must be made whole
- No community is allowed to abate school property taxes on new development
- At no additional cost to taxpayers, state-funded Pre-K should be available to 4 year olds statewide, with a co-pay for families with means

Point 2 – Benefits Reform

- No postretirement healthcare benefit if pension plus Social Security exceeds \$50,000 per year
- 401k plan for all those with less than 10 years in the system and new hires
- 'Cadillac' health insurance plans, as defined and discouraged by Obamacare, are discontinued

Point 3 – Tax Reform

- Abolish the estate and transfer inheritance tax
- Increase retirement income exclusion
- Allow for carryforward of capital losses
- Never tax gain on sale of a primary residence
- Never tax gain on sale of second home (if never used for commercial purposes)
- Exclude the first \$5,000,000 of gain on the sale of a family-owned – 'Mom and Pop Shop' – business
- Restructure marginal tax rates on taxable income over \$750,000 and \$1,000,000
- Close the 'combined reporting' loophole on corporate income followed by a 10-year phaseout (10% per year) of the corporate business tax

Point 4 - Streamlined Government

Recent troubles at Motor Vehicle Commission locations are just one example of an inefficient government that makes life unnecessarily difficult for citizens and businesses. We desperately need to streamline the operation of our state government. With a workforce that exceeds 65,000 and technology systems that are virtually obsolete . . . I will seek to achieve a 5% to 10%

reduction in the state government workforce, using the savings to implement state-of-the-art technologies that vastly improve the efficiency of state government and, as a result, make life much easier for citizens and businesses. I will also make New Jersey less regulatory intensive, creating a more attractive business climate, especially for small business.

Point 5 – Bipartisan Communication

In state government, we sorely lack effective communication between the Executive and Legislative branches and with our New Jersey congressional delegation. As governor, I will host regular work meetings with the leadership of both the State Senate and Assembly. With the goal of getting more of our federal tax dollars returned to New Jersey, I will also meet regularly with the entire New Jersey congressional delegation – all twelve US House Representatives and two US Senators.

This plan generates savings. This plan provides fiscal flexibility. This plan allows us to make underfunded school districts whole. This plan addresses the property tax crisis. This plan funds the pension system. This plan points us in a more prosperous direction.

In executing this plan or any other, we desperately need public servants who are unafraid and solutions oriented, not politically motivated; public servants who, regardless of party affiliation, are committed to working in a bipartisan manner towards improving New Jersey.

People long for a different type of leadership today – leadership that is honest, independent of special interests, fearless but humble, principled but not uncompromising. As a Borough Councilman, Freeholder and Legislator, I have always worked hard to distinguish myself in these ways. As governor, I will continue to do so.

I'm someone who strongly believes we must become better stewards of our democratic institutions; of our obligations, both moral and financial; of our environment; and of our world in general.

I have never been one to make promises in the course of any campaign for office, but I'll make one right now. If elected governor, my brand of leadership and my administration will be very different from any other.

Today I commence a campaign intended to challenge conventional wisdom; a campaign that brings equality and opportunity back to our great state; a campaign that sets the stage for the change we need; a campaign that takes New Jersey and every one of its citizens – all of us – in a new direction.

John F. Kennedy once said, "What we have created, we can solve."

Abraham Lincoln once said, "I have great faith in the people. Give them the facts, they'll do the right thing every time."

I am an optimist. I am committed to solving New Jersey's most pressing crises. And I am eager, by way of my campaign, to give the people of New Jersey the facts and let them come to their own conclusions. I am confident that when they do, they will agree with me that it is time for our state to go in a new direction.

Let us begin.