

Hello shared services, bye-bye small-town feel

Everyone loves the feelings that Norman Rockwell's pictures of small town USA evoke.



STEVEN LONIGAN

Many like to decry those quaint towns no longer exist. Fortunately they do in New Jersey — but they won't if Gov. Jon Corzine's proposal to consolidate municipal services is pushed through our Legislature.

Consolidation of services is proposed as a way to alleviate New Jersey's sky high property taxes. This is phony rhetoric by politicians

who wish to distract us from the real truth: Trenton is the driving force behind high property taxes.

A 2005 study by the Municipal Technical Advisory Service at the University of Tennessee, which summarized the findings of many studies on consolidation, found that expenditures rise when cities merge. "In an analysis of 164 counties in 16 southern states, Richard Wagner and Warren Weber found that consolidation and centralization led to higher expenditures."

Equally important, the studies found citizens were less satisfied with their government services. The study went on to note "the residents of the small municipalities were much more satisfied with their services than were those in the metropolitan jurisdiction."

One reason for the increased satisfaction in smaller towns is that the citizens know their local officials and have easy access to them. Easy access to city officials doesn't just allow, it encourages the involvement of townspeople. Voters are much more likely to be involved if they feel they can make a difference.

Citizens force local officials to watch over every dollar of the budget and to make sure its officials are responsive. If not, the mayor, police chief or other official will hear about it at the supermarket, church or on the street.

This type of Norman Rockwell small town interaction simply does not happen in Newark, Trenton or any other large city. In metropolitan areas, the officialdom mostly interact with the politically connected.

It is not just the size of small towns that makes them more responsive but the multitude of them. A 1992 Cato Institute titled "Bigger is Not Actually Better" found that when

small decentralized government compete with each other to keep citizens and businesses, they become more efficient and attentive to citizen's needs.

If New Jersey towns consolidate, the only way residents will be able to escape poor "local" government will be to move out of state rather than to the next town.

Unfortunately, one reason New Jersey's small towns cannot reap all the benefits of local control is that much budget authority has been ceded to Trenton.

As explained by recent testimony by the State League of Municipalities, 70 percent of

a city's costs are personnel related. The League paper goes on to explain that much of those costs are mandated via legislated statewide collective bargaining agreements. In addition, state required pension costs also add greatly to the local tax burden.

None of these state imposed costs would disappear under consolidation. In fact, the larger the city the more powerful and numerous are the unions and thus, the cost of government.

We must acknowledge that large government entities are more susceptible to corruption. The larger and more complex the budget, the easier it is for politicians to bury pay offs to themselves and their friends.

The good news for New Jersey is that we finally have widespread agreement that all taxes — not just property taxes — are too high in this state. Unfortunately, the legislative proposals for consolidation will result in higher taxes for all. If we are to truly lower taxes in New Jersey, we need to undo the statewide requirements that have resulted in higher costs. In other words, we need more Norman Rockwell small towns that are run by the townspeople.

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