

Bipartisan backing for more debt

Written by Bob Jordan @bobjordanAPP

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For more on the impact of the bond issue on higher education, visit APP.com.

New Jersey is deeply in debt, with taxpayers already on the hook for close to \$40 billion in aggregate bonded obligations. But that's not dimming enthusiasm for proposed new borrowing to pay for improvements at both public and private colleges in the state.

The \$750 million Building Our Future Bond Act is on the Nov. 6 ballot. The Stockton Polling Institute says 72 percent of likely voters are in favor of it.

Construction of classrooms, laboratories and other academic facilities would require a 25 percent match by the schools, increasing the value of investment to \$1 billion. It would be New Jersey's largest financial commitment to higher education since a \$350 million bond referendum in 1988.

Spending the money is a wise move, said Matt Sangster, a Monmouth University senior majoring in psychology.

"I think that's where the tax dollars should go," Sangster said. "It should go toward improving the schools because higher education is where our future is."

Other proponents say it will create as many as 10,000 construction jobs and lead to additional state economic benefits — points disputed by Steve Lonegan, who runs the Americans for Prosperity-New Jersey advocacy group for right-wing industrialists David and Charles Koch.

Lonegan said the schools can get by without the money. He said the state is in no position to take on new debt.

This year's cost to residents to pay back past debt is about \$3.2 billion, according to Treasury Department figures. That's nearly \$900 on average for New Jersey's 3.6 million households.

The debt service on the higher education bond could add between \$43.2 million and \$54.2 million (depending on interest rates and structure of the bond issuance) to the annual tab for the next 30 years, according to the Office of Legislative Services.