

Corzine abolishes School Construction Corp.

Seeking a new name and a fresh start for New Jersey's effort to rebuild decrepit public schools in the state's poorest communities, Gov. Jon Corzine yesterday signed legislation that formally abolishes the scandal-plagued Schools Construction Corp.

The corporation, set up five

years ago to jump-start an \$8.6 billion court-ordered school building program, will be replaced with a new state agency, the New Jersey Schools Development Authority, with expanded powers to control costs and reserve land for schools.

"The reorganization of the SCC is testimony to the commitment of this administration

to implement reforms that put an end to the waste and mismanagement of the past," said Corzine. "We now have a more streamlined entity with the proper controls in place. This will ensure more efficient delivery of quality schools which are greatly needed across the state."

The changes come after a

series of reviews showed the original corporation wasted hundreds of millions of dollars through poor planning, excessive professional fees and lax oversight in a rush to get school projects under construction quickly.

A Star-Ledger analysis in 2005 found the first six schools

built by the schools corporation cost, on average, 45 percent more than schools built by local boards of education at the same time, and that the corporation paid its construction managers triple the standard rate.

— NEWHOUSE NEWS SERVICE