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FIRST

# ANNUAL MESSAGE

William T. Cahill

GOVERNOR OF NEW JERSEY



To The Legislature

January 12, 1971

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## INTRODUCTION

Less than a year ago on a cold January afternoon, in a ceremony that took place a short distance from this historic Legislative chamber, a new Administration came into being mandated to lead the State of New Jersey into the 70s. Today, as the Chief Executive of that new Administration, and pursuant to the requirements of Article 5, Section 1, paragraph 12 of the New Jersey Constitution, I submit to you my first Annual Message and an accounting of my first year's stewardship.

In my Inaugural Address, I referred to a number of important areas of concern to which the new Administration would address itself in the years that lay ahead. I stated my concern over the tarnished image of our State with respect to crime. I expressed the view that we needed to dramatically improve the quality of education and to provide better educational opportunities to more young men and women, from every economic level, within our State. I said that not enough was being done to crack down on drug traffickers or to set up meaningful programs of rehabilitation for drug users, that we were not moving fast enough to provide needed housing, to halt the pollution of our precious environment, to alleviate the crisis hanging over our cities, to correct conditions prevailing in our State prisons, to improve the delivery of health care, or to employ modern concepts of transportation to relieve the congestion of our highways and ease the plight of the weary commuter. In that address I dealt with the State's mounting fiscal problems, and pledged to "set our fiscal house in order." On the National level I expressed my often-stated conviction that we urgently need a fundamental reordering of our priorities, and that the concept of Federal revenue sharing required early implementation.

After the passage of a year, our citizens might well ask "What progress has the Cahill Administration made in those problem areas to which it has been addressing itself?" What have we done, in short, to convert words into deeds?

Before sharing with you and our fellow citizens my observations of our major accomplishments during the year just completed, let me say with complete honesty and conviction that none of these accomplishments could have been achieved without the wholehearted cooperation of both Houses of the New Jersey Legislature. We have been, indeed, partners in progress. The majority has demonstrated great leadership, and the minority has demonstrated political restraint and a cooperative spirit in supporting programs that are for the best interest of all the citizens of New Jersey. This has been, I am told, one of the most productive of all Legislatures, and has compiled a record of achievement unparalleled in the history of the State of New Jersey. The entire citizenry owe all of you individually and collectively a debt of gratitude.

And now to the record!

## LAW ENFORCEMENT AND CRIMINAL JUSTICE

Let me recall for you my words regarding crime in my Inaugural Address:

*"We are all painfully aware of the image attached to our proud State's name in press and periodicals throughout the Nation.*

*"... in this crisis, where the very life of self-government is at issue, there will be no executive compromise..."*

*"... there is a total commitment on the part of this Administration to search out and destroy the corrupters and the corrupted wherever they exist in the 21 counties of New Jersey. No area will be sacrosanct, and no party will be immune. So that the message is clear to all, I would remind you that this Administration has no commitment except to the people of the State of New Jersey..."*

The record of achievement for 1970 in the area of criminal justice provides us with a dramatic contrast with the past — a contrast of which we can be proud!

With the substantial cooperation and support of this Legislature, we have literally lifted the cloud of suspicion and distrust which had descended so ingloriously upon our State a little over a year ago. We have improved, in my judgment, the quality of our law enforcement

officials. As a result of legislation enacted early last year, prosecutors and assistant prosecutors in the State's six most populous counties must now serve on a full-time basis, and can no longer engage in any private practice of the law.

We have a new Attorney General in New Jersey who has demonstrated great legal ability and the highest integrity and leadership that has won him and this Administration praise throughout the State.

Together we have created within the Department of Law and Public Safety a new Division of Criminal Justice which gives the Attorney General wide powers to coordinate law enforcement efforts statewide.

We have seen the work of the State Commission of Investigation and of the Federal-State Organized Crime Strike Force, working in conjunction with the Attorney General's office, make substantial inroads in rooting out elements of organized crime in our State. I reaffirm to you today my pledge to continue the unrelenting drive to root out the corrupters and the corrupted wherever they exist!

A number of other important new criminal laws enacted last year include: (1) a measure which now permits the Attorney General to supercede a county prosecutor where it appears that the law is not being appropriately enforced; (2) a "public employee removal bill" which now provides a legal means of removing from office public officials, elective or appointive, who fail or refuse to testify on matters directly related to their official conduct; (3) a "New Jersey Anti-Trust Act" which is aimed at breaking up *intra*-State monopolies and business combinations which are in restraint of trade or which tend to decrease competition; (4) a "Usury bill" which is directed at stopping loan-sharking activities; (5) a "Waterfront Commission bill" to expand the powers of the Waterfront Commission to combat the infiltration of organized crime and cargo thefts at the major New York-New Jersey metropolitan airports, and (6) a "Judge removal bill" which provides that a judge may be removed from the bench for misconduct, willful neglect of duty, incompetence, or other evidence, which shows he is unfit for judicial office.

For the Executive to claim now that these developments make of the Inaugural declaration something more than the rallying cry it was intended to be would be fatuous indeed, but to ignore entirely these accomplishments would distort the perspective in which the past year

should be reviewed. No longer can it be said that organized crime enjoys in New Jersey a privileged sanctuary. The climate now prevailing is decidedly inhospitable without in any way infringing upon the individual's right to defend himself by every constitutional protection afforded those charged with crime. The progress made in this area offers, in my opinion, a lesson in the approach to be taken in other problem areas of this State.

During 1971 we will review, evaluate and build on the firm foundation for law enforcement and criminal justice we have jointly constructed for our State. Now that we have the tools, our job through our enforcement agencies is to roll up our sleeves and apply some plain, old-fashioned effort to make these new laws work. Through a continuance of the coordination and cooperation of all Federal, State and local law enforcement agencies implementing these sweeping new programs, all possible forces will be brought to bear upon crime within our State.

## NARCOTICS

In relation to the very troublesome problem of drug abuse in our State, I said the following last January:

*"I share the alarm of all thinking citizens at the awesome increase in the use of narcotics by our youth in all areas of the State . . . in city and suburb . . . by rich and poor . . . black and white."*

We were singularly successful last year in translating this deep sense of concern into a meaningful, comprehensive and coordinated response. This is another area which provides us with a marked contrast between the status quo situation which we inherited last January and the far more hopeful situation which we have in New Jersey one year later. In summarizing for you the things that we have done in this area, I shall break my presentation down into four categories — (1) Control and Enforcement, (2) Education, (3) Treatment and Rehabilitation, and (4) Program Direction and Inter-Agency Coordination.

### Control and Enforcement:

1. We have enacted the New Jersey Controlled Dangerous Substances Act which has completely revised our State's drug laws. This new Act was based upon model legislation suggested by the U.S. Justice Department and approved by the Uniform Laws Commissioners. The legislation recognizes that drug use is a medical-social problem and concurrently increases penalties for drug pushers, establishes reduced penalties for possession of small quantities of marijuana, broad controls over the pharmaceuticals industry to prevent diversion of drugs to illicit channels, and new court procedures designed to promote rehabilitation.

2. We have enacted the Controlled Dangerous Substances Registry Act. Under this legislation the Department of Health has established a confidential reporting system which will be operative by the end of February 1971. With continuing data supplied by State and local police, courts, private physicians, hospitals, and rehabilitation agencies, a comprehensive evaluation of the nature and extent of New Jersey's dangerous drug problem will be possible.

3. We have enacted legislation which provides \$800,000 for 50 additional State Troopers to be assigned full time to narcotics enforcement duties. At present, thirty of these officers have received narcotics training and have been assigned. With the next graduation of the State Police Academy it is anticipated that the State Police Bureau of Narcotics will be brought up to full complement. Several regional offices have been established to concentrate on high-level sales and to cooperate with and assist local police.

4. We have enacted legislation which provides \$100,000 for training municipal police. Interest and response by local police have been enthusiastic — several one-week seminars have already been held and 24 more are scheduled for this new year.

### Education:

1. We have enacted legislation which provides \$175,000 for teacher training and makes drug education a required part of the health curriculum in all New Jersey junior and senior high schools, effective January 1971. Under this legislation, over 300 teachers received intensive training in drug abuse during 3-week sessions last summer. These teachers have returned to their local school districts to conduct in-service seminars for all teachers in the district, grades seven through twelve. They will begin teaching students this month.

2. A bill has been enacted providing \$200,000 for operational grants to school districts to develop curriculum and initiate drug education programs. The 300 districts which participated in last summer's teacher training program will receive these funds in the near future.

Under an additional \$25,000 appropriation, the Department of Education is now acquiring films, audio visual materials and books to be distributed on a loan basis to local school districts. The State Library will serve as a clearing house in this information sharing effort.

3. Legislation has been enacted providing \$100,000 for the implementation of drug education programs for parents, school and community officials.

Funded by an \$81,000 grant from the U.S. Office of Education, the Department has begun workshop and instructional programs designed to sensitively reach elementary school children from kindergarten through sixth grade, by establishing a Drug Abuse Institute in the Division of Curriculum and Instruction.

#### **Treatment and Rehabilitation:**

1. We have enacted legislation which provides \$130,000 for an expanded Methadone maintenance program. Matched by a \$100,000 discretionary grant from the U.S. Justice Department, experimental Methadone programs have been established in all county clinics. Several strategically located Methadone stations have been established. The number of patients has been increased from 60 to 175.

2. Discovery House, a therapeutic community treatment center, located at Marlboro State Hospital has been expanded from 35-bed capacity to 80-bed capacity.

3. Arrangements have been made with the Department of Institutions and Agencies for detoxification services to be provided by State hospitals at Ancora, Trenton and Greystone.

4. We have continued financing of the Liberty Village Therapeutic Community, New Jersey's largest treatment center, and the county clinics, which have 75 per cent State/25 per cent local funding. Two new clinics have been established in Somerset and Cumberland Counties.

5. Legislation has been introduced, and is currently pending, which would absorb the county clinics into a statewide network of

regional clinics. There has apparently been some misunderstanding concerning this bill. The bill is not intended to take over any county facilities providing in-patient treatment, as has apparently been feared. The bill very clearly provides that the statewide system established thereunder would absorb only county clinic systems providing after-care treatment for individuals released or discharged from other facilities.

6. A bill has been introduced, and is now pending, which would authorize the Department of Health to purchase care and rehabilitation services from private agencies.

7. Legislation has been enacted which will provide for State certification of private narcotic treatment centers.

8. The Department of Health has established and is operating a program to provide urine monitoring services for State, county and private facilities.

9. In outlining the urgency of New Jersey's problem of narcotic and dangerous drug abuse, I called for bold experimentation, expanded treatment facilities, and the development of new rehabilitation concepts.

With this mandate, my Administration has launched a vanguard experiment to assist youthful drug abusers in rebuilding their lives. In the Nation's first attempt to combine therapeutic community, motivational therapy and specialized education concepts, New Jersey has moved to acquire the Star of the Sea Academy in Long Branch from the Sisters of Charity. A specially authorized expenditure of \$150,000 in bond funds will permit acquisition of this facility to serve as a residential school for boys and girls, between the ages of 12 and 20 who have a history of drug abuse.

Although some minor structural changes may be necessary, the Academy includes dormitories and classrooms and can be used to provide a complete high school education for 200 juveniles.

The youths who will be assisted by this program will be referred by the courts and social agencies. Special arrangements have been made to utilize facilities and staff at Menlo Park to provide intensive diagnostic evaluation.

Efforts are now underway to secure Federal support for this innovative approach which integrates needed research with action.

### Program Direction and Inter-Agency Coordination:

In June of last year I activated the Division of Narcotic and Drug Abuse Control by naming Dr. James Cowan, Commissioner of Health, Acting Division Director. Thus the powers and duties relating to drug control, formerly vested in several Departments including Institutions and Agencies, Health, and Community Affairs, were at last centralized in the Division.

I have also established an Inter-Cabinet Advisory Council to coordinate, direct and give policy guidance to the new Division.

The year 1971 will be a year of full implementation of the Legislative program enacted during 1970. I have resolved to carefully examine all facets of this progressive and important program to make absolutely certain that enforcement, education, rehabilitation, treatment and complete coordination of all agencies is carried out with the highest possible efficiency. It is my hope, indeed it is my conviction, that 1971 will find the State of New Jersey foremost among the states in this all-important field.

## CONSUMER PROTECTION

In the Inaugural Address I spoke out in the area of consumer protection and said:

*"No field in this competitive and profit-oriented society is more important than the protection of unwary buyers who are daily defrauded of hard-earned dollars by deceivers and those who misrepresent and oppress. It is not enough to caution, 'BUYER BEWARE,' especially when the buyer knows not of whom and of what to beware. Our State must and will take a strong position at the side of the citizen in this all-important field of consumer relations.*

*"I am troubled by . . . the almost unbearable burden of providing adequate protections for ourselves and our fellow citizens in the field of insurance."*

While I am pleased with the series of amendments to the Blue Cross-Blue Shield health programs which considerably strengthened the position of the consumer, and while I am convinced that the

Secondary Mortgage Loan Act of 1970 safeguards home-buyers from exorbitant and sometimes fraudulent second mortgage schemes, I feel that considerably more can be accomplished in this important area. It is also true that in the area of insurance which affects consumers, progress has been made and important studies are underway.

I am, however, of the opinion that much more must be done if we are to protect our citizens and their hard earned dollars from the "deceivers and those who misrepresent and oppress." A new commitment and a new approach in this entire area is indicated. I believe, too, that we have not made a sufficient financial commitment to the Office of Consumer Protection and that we have not utilized many available human resources.

I have, therefore, directed the Attorney General of the State of New Jersey to let me have at his earliest convenience, his recommendations concerning improvements in this area and the possibility of utilizing law students in both the North and South Jersey areas to participate in active investigation and prosecution of those who would defraud. I have particularly asked the Attorney General to suggest changes in the Weights and Measures Act, in areas relating to home repair and improvement, in the purchase of used and rebuilt items, particularly motor vehicles and appliances, in the area involving the sending of unsolicited credit cards. I have asked for his recommendation concerning the licensing of collection agencies by the Department of Banking and consumer representation on many of the professional boards whose decisions play a major role in the life of the consumer.

Simply put, I believe much more must be accomplished in this area in 1971. This Administration, therefore, will emphasize in the year ahead, consumer protection, will seek a complete reorganization under the direction of the Attorney General of the Office of Consumer Protection, and will recommend to this Legislative body during the coming year, a Legislative program to aid the consumers of the State of New Jersey.

## EDUCATION

Last January I said, concerning education:

*"All my adult life I have held with Aristotle that the fate of empires depends on the education of youth.*

*"I have called for a master plan that talks not only of new ideas ... not only of new buildings, but of new teaching techniques ... not only of new research grants, but of new leadership dedicated to new levels of excellence.*

*"We cannot afford to fail our young and our future."*

### Elementary and Secondary Education:

The "master plan" which I called for last year is now in its second phase of development. This plan is of critical importance to the future of New Jersey education, and I would hope that the goals and recommendations which will result from it, as it maps out our responsibilities in the years ahead, will receive your careful study and support. Last April you will recall that I delivered to you a special message on the subject of education in which I spelled out some of my Administration's short-range educational priorities. Let me outline some of the key achievements that have resulted during the months since that message.

We now have an extremely innovative approach to the development of educational programs established in the Educational Centers Act, which I signed into law last June. This measure now provides for the establishment of four regional centers throughout the State where research and development will be carried on to test new ideas, programs and curricula. It will bring about a consolidation of research and development programs which are now fragmented throughout the State at the local level, and will put an end to wasteful and inefficient duplication. Under the terms of the new law, local school districts will work with the State Board of Education on a regional basis to explore and resolve mutual problems.

In September I signed into law a "School Lunch Bill" which provided \$2 million in new funds to feed needy children who cannot afford lunch. Under guidelines set up by the Federal and State governments, free lunches will be provided for children from families with an annual income of less than \$4,160 for a family of four. Reduced

lunch prices will be provided for children from families with an annual income of less than \$4,760 for a family of four. It is expected that, as a result of this new legislation, approximately 103,000 children per day will be receiving free or reduced price lunches by the end of the 1970-71 school year.

Recognizing that private and parochial schools throughout New Jersey annually relieve the State of the burden of providing educational services to approximately 325,000 elementary and secondary school students, it became apparent to me that we could no longer realistically continue to ignore the desperate needs of these schools for State aid. The alternative would be to sit back and watch these schools deteriorate gradually in the quality of the education they provide, until they are forced, one by one, to close their doors, or until parents, unable to sustain the costs of constantly rising tuition, voluntarily transfer their children to public schools.

It is clear that the State is not in a position at the present time, in terms of facilities, teachers and funds, to receive a sudden influx of these vast numbers of students into the public school system, without seriously impairing the overall quality of public school education. That is to say, if this is the direction in which we would like to move, then we must first prepare for it gradually by raising new revenues, building new schools, and hiring new faculties. It was with this background — in a sense acknowledging the very important service that private and parochial schools provide the State and recognizing the obligation that the State has in assuring that all students in New Jersey receive quality education — that I submitted legislation to you last September, which you have passed and which is now law, to provide \$9.5 million in aid to these private and parochial schools for certain limited purposes. This aid measure was certainly not as much as they would have liked, or perhaps as much as they truly needed. But I believe that it is of extreme importance in that, for the first time in the history of the State, you, the Legislature, signified your recognition of the special problems of these schools in this form.

At the same time that you passed the parochial and private school aid measure, you passed the Administration's request for \$28.5 million in additional State aid to public schools, and this, too, is now law. Senate Bill No. 575 aids in the relief of the burden of taxes upon the local taxpayer by supplying more funds to public schools other than through the local property tax. It is an implementation of the Bateman Commission report attempting to improve the quality of education

throughout the State, particularly in those districts which have inadequate financial resources. A new Permanent Study Commission on State School Support has been established which will evaluate the success of school aid programs.

I believe that during 1970 we began to make some impressive strides in the very critical area of vocational education. In all, three major laws were enacted in support of vocational education. The first was an appropriation measure which provided \$2.2 million for construction of new vocational education facilities. The second bill provided for the granting of work permits to any vocational high school graduate, 17 years of age or older, to assist him in gaining employment in the type of work he majored in at school. The third measure is of far-reaching importance and, if successful, will be expanded into other areas of the State as soon as possible. This bill has established, beginning this month, a Career Development Program — the first of its kind in the Nation — in the elementary and high schools of Camden, New Brunswick and Rahway. It provides for a total career approach to learning within a single school district. Parts of the program have already been tested in several school districts of the State, including the three districts mentioned above. The program, which employs a new approach for combining academic and vocational learning, includes the study of technology, study and field experience in occupational areas, job placement, resource centers with instructional materials for teachers and students, and special training to prepare teachers for the program. Two unique features of the new program are (1) that the schools will be used during the summer months as an opportunity for students to acquire a pre-vocational experience, and (2) it will provide a ready source of qualified employees for the industries in New Jersey and will be an added inducement for them to remain in the State. The pilot programs will involve approximately 18,000 students and 180 teachers.

It is my firm conviction that we must redouble our efforts in 1971 and in the years ahead to make these programs work, and work well, if we are to head off a manpower crisis and redirect the energies of the tragically high numbers of jobless, young high school graduates and dropouts. As I stated last month at the Governors' Conference on Vocational Education, we have developed vast new technologies in our Nation today, but in many cases we have neglected to train the manpower necessary to apply this knowledge. I am told by many business and industry leaders that many of our high school graduates, not to mention school dropouts, cannot be hired because they have

no saleable skill and, in many instances, lack the basic education and reading abilities needed for even unskilled jobs. The results, tragically, are well known: twenty-five percent of our youth who turn eighteen are unemployable; one out of every five teenagers between the ages of 16 and 19 is out of school and out of work; many of these young people are drawn, irretrievably, into a life cycle of welfare; and still others turn to crime and drugs.

Let me mention three bills which will provide additional help to our elementary and secondary schools. The first bill, which I will sign early this month, makes available \$90 million in additional school building aid for classroom construction. Under this legislation, a school district may make application to the Department of Education for funds, and if it is approved the district will receive these funds according to a per-student formula, above and beyond other normal school aid which it is eligible to receive. A second bill, which became law last June, changed the formula for distribution of funds to Federally-impacted areas in the State on a more equitable basis. Enactment of this bill has permitted New Jersey to qualify for \$12 million in additional Federal aid during the current fiscal year to our impacted area. A third measure, which appropriated \$400,000 for the New Jersey Public Broadcasting Authority, has enabled plans to proceed to establish the four television broadcasting stations, beginning in March, at points throughout the State. These new broadcasting facilities should be able to play an important role as a teaching aid.

Looking forward to the coming year, I want to emphasize my commitment to the expansion of those programs which I previously established as priorities. For example, I recently became aware of the desire of private industry to contribute to the success of the Career Development Program. I intend to work closely with all concerned toward full integration for the "Tools for Education" project of the Education Committee of the New Jersey Manufacturers Association into the Career Development Program.

We are studying an addition to the master plan for the coming year in relation to performance evaluation. This plan would require new methods of teacher recruitment. It would provide that evaluators, competent in their respective professional fields, be sent onto the college campuses to observe potential teachers with regard to actual teaching ability. Access to this information, as well as the traditional grade criteria, would be helpful to recruits and administrators alike.

Implementation of the program on all levels, including periodic evaluation of functioning teachers, will require development of a fully defined performance criteria, as well as methods of evaluation and the training of evaluators. The final decision and proposed implementation will depend on studies now underway.

Another area which I hope to give priority is that of preschool education, including day care centers. New Jersey's education law requires regular school attendance commencing at age six. In addition, a school district is permitted to offer kindergarten classes which shall open to all five-year-olds and may admit four-year-old children at the district's discretion. It also may establish a nursery school or a nursery department in a school under its control. However, with few exceptions, local districts do not serve children under five. If a parent wants training or care for a younger child, he must seek these services from the private sector. Many experts hold that the under five child has needs which often cannot be met in the home.

We know that a good portion of a child's intelligence is molded during the preschool years, and we also know that early nutritional defects are permanently damaging. Head start and day care programs have aided the deprived child to a certain extent. However, an increased commitment is necessary in this area. I would hope that the number of children who are able to participate in preschool programs will significantly increase in 1971.

Many other areas, including some acceptable method of implementing merit pay for teachers, are under constant study by the Administration. As in other areas, innovative programs and increased commitments are dependent, in a large measure, upon available funds. Based upon present fiscal capacity, we must adjust our commitments to meet our revenues. We intend, during the coming year, to utilize all of our facilities and to extract from our tax dollars the very highest performance in the entire field of education.

### Higher Education:

Our higher education system is in the midst of an era of growth and change. Enrollments are expanding. New colleges are opening. Curricula are changing. Old assumptions are being challenged; new concepts are being implemented. In short, this is a dynamic period of higher education — a time of challenge and opportunity.

Growth in enrollments is particularly significant. In the past year alone enrollments in our public institutions have grown by 18 percent which means that space for 11,521 new full-time undergraduate students came into being.

It is important that this momentum be maintained and accelerated. We intend to do precisely this within the State's fiscal limitations.

Plans have been finalized so that in September, 1971, two new State colleges will open their doors: Richard Stockton State College, with an enrollment of 1,000 students and Ramapo State College, with a planned enrollment of 800 students.

As you know, the Board of Higher Education, working with both the public and independent institutions, has completed a draft of Phase Two of the master plan, setting forth enrollment targets for the system, sweeping revisions in the direction in which State colleges will proceed, and the addition of 4 new State colleges to the system. This development plan has not yet been finalized. When completed in final form, which will be this spring, it will require careful study and analysis.

This month I shall act upon a bill providing aid to County colleges. This legislation will permit counties to issue up to \$40 million in bonds to cover construction and development costs at county colleges, over and above the 50 per cent share which the State is obligated to contribute.

In 1970 the Legislature, on my recommendation, reorganized publicly supported medical and dental education under one governing board which is in turn responsible to the State Board of Higher Education.

The urgent needs of our citizenry for increased medical care, along with other equally relevant reasons, prompted my decision to recommend this creation of a State-wide system of medical education in New Jersey.

An additional objective of this reorganization was to effect a closer coordination between the two education centers in New Brunswick and Newark and continue to expand and develop the medical and dental education programs. The dramatic result of this recent reorganization speaks for itself with no deterioration in quality:

— the size of the entering class of medical students at New

Brunswick was increased to 80.

– Initial clinical facilities for the New Brunswick center were acquired recently.

– A shortening of the dental curriculum to three years was approved and is being implemented.

The full development of the educational and service potential of these two centers continues as a high priority.

In other legislation relating to Rutgers University, a bill was enacted in the latter part of 1970 which now gives the State greater control over the transfer of funds to Rutgers University and over expenditures by its Board of Governors. It requires all changes and transfers to be reported to the State Director of the Division of Budget and Accounting. In addition, it provides that all accounts of the University are subject to State audit at any time.

Let me assure the officials, faculty and students of Rutgers University that the enactment of legislation relating to tighter fiscal controls will not in any way affect the academic and administrative freedom of that University. This Administration has no intent to decentralize, separate or in any way adversely affect the present structure of Rutgers University. I trust the foregoing is sufficiently broad and unambiguous to eliminate any existing doubts to the contrary.

Fiscal autonomy for Rutgers cannot prevail as long as the state is contributing the lion's share of its budget. To suppose otherwise would be a disservice to the taxpayers of this State. But, it is my firm conviction that autonomy in the academic and administrative affairs of Rutgers University is essential to its continuing growth and freedom.

A corollary of freedom of action and choice is responsibility. While I adhere to the self-governing principles to which I have alluded I equally believe it is my duty to act if that concurrent responsibility is abused.

A portion of a University's standing is the physical facilities which it provides. A visit to the main campus of Rutgers will visibly demonstrate the needed building programs which are being developed. More is necessary. One example of needed facilities is a Field House. The present programs, intramural and intercollegiate, are seriously affected. A major fund-raising effort is underway. The New Jersey Senate has already indicated its interest in providing some public funds. I will recommend in my Budget Message a small initial

appropriation as start up money for this combination private-public effort which is estimated to cost in the vicinity of \$9-\$10 million. Although this is a large amount, it is necessary to provide the University with a new Field House, sufficiently large to meet the needs of the students and of a character which will do justice to the future of the school.

In the last 15 years, Rutgers University has taken gigantic strides towards educational superiority, attaining national prominence. This accomplishment has been achieved because of two predominant factors; the willingness of our citizens to support the University through high annual State appropriations provided by the Legislature, and the quality of its administrative officials and faculty. More is necessary in the future if Rutgers is to become a colossus in the educational world. The administration, faculty and student body will receive my active assistance to this end. In return, I ask that they recognize the legitimate fiscal limitations of the State Government and our own citizens.

The year 1970 saw hopeful improvements in the relationship of our student population with our State leaders. Through the Governor's Student Liaison Committee, which I created last spring subsequent to the tragedies at Kent State and Jackson State College, lines of communication have been opened between my office and the offices of members of my Cabinet, and the student leaders. The committee, composed of members of my personal staff, has been meeting on a monthly basis with students from four regions of the State. I have already had the opportunity of meeting twice with the student representatives, and plan to continue these discussions, with the next one scheduled in February. I want to assure the students of New Jersey that what we have been doing in this area has not been merely an exercise in public relations, as some have suggested. I feel that I have already learned a great deal from these initial student meetings. I look forward to learning a great deal more in 1971 and hope that we will be able to implement some of their ideas and suggestions.

My personal association with the youth of this State convinces me that they are more concerned, better prepared, deeper involved and more interested in their fellowman than ever before. Our young people are thirsting for expanded educational opportunities. Every effort must be made to provide every qualified and motivated youth of our State with adequate and complete educational opportunities. We must, therefore, continue the expansion of our college facilities and

improve the quality of our education. But even in this Age of Aquarius the burdens placed upon the taxpayer and the homeowner who is caught in the present inflationary spiral must be understood and respected. The fiscal plight of the individual taxpayer, the municipality, the county and the State must be fully considered and respected in our search for the expansion of existing and the construction of new college facilities. By economies, by improvement in administration, by the elimination of some low priority programs which in another day might be recommended, I hope to continue the improvement of our higher educational institutions to the extent possible considering our present fiscal capacity. We must make the education of our youth one of our top priorities! Hopefully, the years ahead will permit even a greater financial commitment than is possible in the coming fiscal year.

### ACHIEVING FISCAL REFORM

The first major challenge which was to confront my new Administration last January was that of achieving a responsible resolution of an inherited budget deficit estimated at approximately \$300 million, and to set our State once and for all, on a course of fundamental fiscal reform. I said at that time in my Inaugural Address:

*"In recent days I have spoken out about the fiscal crisis New Jersey is in today, the causes of that crisis and my decision to avoid a State income tax through an increase in the existing sales tax.*

*"I intend to set our fiscal house in order . . . I will not flinch . . . I will not hesitate . . . I will not turn away from hard decisions dealing with the ability of this State to meet the legitimate needs of its people."*

My Administration's response to the pressing fiscal problems which it inherited was both swift and multi-faceted — and, I want to add, it is continuing.

Through a combination of Executive Orders and legislative and administrative initiatives implemented throughout the year, we were able to avoid the spectre of a budget deficit and to see our way through to the next fiscal year. I do not pretend, in the least, that what we did last year amounts to fiscal reform or that we achieved any

permanent solutions. Rather, we did what we had to do to permit our State to continue operating on a sound fiscal basis in 1970-71, so that we could begin laying the ground work for true fiscal reform in the immediate years ahead.

With your cooperation, leadership and courage, we were able to enact into law during the first half of 1970 three separate revenue-producing measures, with a total estimated annual income of approximately \$250 million. The most important of these three measures was, of course, the 2 per cent increase in the State sales tax. Coupled with a deletion of certain existing exemptions on machinery, equipment and advertising, it was estimated that this increase alone would raise \$240.3 million in additional annual income. The second bill doubled the tax rate on bank stocks from  $\frac{3}{4}$  per cent to  $1\frac{1}{2}$  per cent, and was expected to produce an additional \$7.3 million annually. The third tax bill also raised the rate of taxation on financial businesses to  $1\frac{1}{2}$  per cent, and was expected to raise \$1.8 million in new revenues.

Pursuant to the November 1969 Referendum, legislation was enacted last year to implement the State Lottery. The monies which will be raised through the lottery are required to be used for education and institutions. It has been anticipated that the lottery will produce in the area of \$12 million annually. In light of the overwhelming public response to the first sale of tickets, it may be that the new revenues will exceed the original estimate. It is however too early to predict with any degree of success the actual income from this source.

Perhaps the greatest achievement of my Administration in 1970 in the area of fiscal reform was the creation through Executive Order of the Tax Policy Committee. This Committee, to which you appropriated \$250 thousand for operating and staffing expenses, is thoroughly bipartisan in nature and representative of all appropriate interests. We are fortunate in having two former Governors, Richard J. Hughes and Alfred E. Driscoll, serving as members. Essentially, this Study Committee is charged with making an examination of the existing State and local tax structure, present and future revenue requirements for all levels of government, and the roles of all governments in raising revenue. Specifically, the Committee is charged with coming up with recommendations for restructuring the State's entire program of taxation, including the archaic and generally inequitable real estate tax.

The work which this Committee has been carrying on for the past six months is, in my judgment, of profound importance. Literally every

citizen in the State stands to be in some way affected, beneficially, I hope, by its future decisions. Hopefully, by the end of 1971 the Committee will have finalized its recommendations. If we can then manage to prevent their proposals from being made the subject matter of political partisanship, we should be able to achieve, once and for all, bipartisan agreement on a new and fairer tax structure for the State of New Jersey.

In view of the prevailing economic conditions and the increasing requirements of the State government to render service to the public, a continuing goal of this Administration has been, and will continue to be, to practice economy wherever possible, and, at the same time, see that those economies do not result in any diminution of needed government services. In connection with this effort, we have succeeded during 1970 in implementing a number of significant economy measures calculated to save the State millions of dollars annually.

Key among these measures was the creation last year through Executive Order of the Governor's Management Study Commission. For nearly eight months this Commission conducted an in-depth economy and efficiency study of all phases of State government. The cost of the study was completely underwritten by the New Jersey business community and they deserve the highest praise for the public service which they performed through their generous contribution of both funds and personnel. The recommendations of the Commission have, of course, been a matter of public record since the middle of last November. They are currently receiving careful review by all departments of government, in cooperation with a special committee which I set up for this purpose. All areas for implementation are being examined. It is estimated that ultimately, the recommendations of the Study Commission will lead to substantial annual savings.

As another part of this program, I have established within the Department of the Treasury, a Committee on Systems Management utilizing wherever possible, State personnel. The functions of this new Committee will be both to seek out areas for savings in government operations and to see that these savings are achieved. This, in effect, will be a continuation, at the State government level, of the overall Management Study which I had conducted last year.

Early in my Administration I issued directives prohibiting unnecessary out-of-state travel at taxpayers' expense and banning the

creation of new jobs until first approved by my office. This latter directive was subsequently eased for the limited purpose of stimulating employment and job training among disadvantaged and unskilled persons. An Administration bill was enacted into law last year which will result in an effective savings for the State of approximately \$25 million, and, additionally, will bring about a separate savings of \$10 million for the State's municipalities. The bill accomplished this by amending prior law fixing the interest assumption rate on earnings from investments of the State's five retirement funds.

I hope you will agree, after evaluating some of the things we have accomplished in the space of one year, that we have made real progress in the direction of "setting our fiscal house in order." Let me assure you, however, that we have only begun, and that we intend to press even more vigorously for total fiscal reform in the State of New Jersey.

## THE ENVIRONMENT

The pollution of our environment is a fact of grave concern to all thinking citizens. Recognizing that it will soon be too late to purify our air and to breathe life back to our dying streams and lakes, I placed a high priority, when I assumed office, upon implementing effective and tough corrective measures. I stated last January in my Inaugural Address:

*"I am impatient with our inability to prevent the erosion and pollution of our most prized natural resource, the seashore and beaches of New Jersey. I am apprehensive and deeply troubled by the danger to health from the continued and increased pollution of air, streams, rivers and even our ocean."*

I am proud to report that we have made truly impressive strides during the past year in the direction of providing solutions to these seemingly hopeless problems. The creation early last year of the new Department of Environmental Protection was a giant step forward in our fight to preserve, protect and enhance the environment. This act, which removed the Division of Clean Air and Water from the Department of Health and placed it in the new Department, illustrates the concern of this Administration to insure that our grandchildren will have clean air to breathe and pure water to drink.

The new department now has broad enforcement powers concerning pollution, including abatement and control of pollution on a regional and statewide basis. The same legislation that created this new department also granted it authority to investigate the feasibility of establishing experimental facilities for the disposal of solid waste, and even calls for consideration of methods of utilization of waste products! In sum, this new legislation is clearly forward looking in that it recognizes that the quality of human life remains dependent on natural cycles, ecological balances, and the purity of air and water. Not only must efficient use be made of the State's natural resources and scenic places, but they must also be preserved for future generations. But this legislation is by no means the extent of our achievements in the area of environmental protection in 1970. It merely set the stage for a whole series of tough, new laws which I shall briefly summarize.

Legislation was enacted in 1970 increasing the penalties for the pollution of State drinking water and establishing stringent fines for certain violators of up to \$3,000 per day. As an incentive, the bill allows certain public agencies which prosecute such polluters to retain the penalties recovered. Another measure, enacted as companion legislation to the bill I have just mentioned, prohibits industrial waste waters from flowing into any waters of the State, and authorizes strict penalties for violation.

The Solid Waste Management Act of 1970 and the Solid Waste Utility Control Act of 1970, which were enacted into law during the first half of last year, now require firms engaged in the collection or disposal of solid wastes to register with the Department of Environmental Protection and apply for an operating certificate from the Public Utility Commission in addition to complying with health laws. The new laws provide heavy fines for persons found in violation, and include constraints against monopoly. In separate legislation enacted subsequently, \$55,000 was appropriated to hire six additional staff members in the Department of Public Utilities to carry out the regulation of the economic aspects of solid waste collection and solid waste disposal under the above two acts.

In November of last year I signed into law Assembly Bill No. 505 as chapter 272 of The Laws of 1970, one of the most significant environmental bills ever enacted in the history of our State — "The Wetlands Act of 1970." This law will have a far-reaching effect on the preservation of one of our most valuable natural resources, the coastal

wetlands, extending from Sandy Hook to Delaware Bay. These lands, complex aquatic areas where fresh river waters meet the saline waters of sea, forge vital links in the food-producing chain, and thus are necessary for the continuation of all forms of life, even man. In addition, the wetlands serve as buffers against the ravages of violent storms, serve as a means of flood control, and provide natural barriers against wind and water erosion.

This law provides a critically needed balancing mechanism by offsetting the tumult and insults of urban life against an unspoiled retreat of tranquility and open spaces. It will ease the crisis caused by the gradual destruction by man of the biological and aesthetic value of these lands. It will complement the State's policy on riparian lands by allowing some measure of control of the entire ecosystem where the sea meets the land.

The thrust of this law, and of the subsequent orders which will be adopted, is to protect the State's endangered tidal marshlands. The intention is not to prohibit all future development, or to confiscate private property for public purposes. It is, rather, to allow in the future an orderly development consistent with the ecology of the wetlands. The lands to be regulated will be only those which meet *both* the tests established in the act: Regulated lands must have growing on them, or be capable of supporting, biologically valuable grasses, and these lands must also be below the line one foot above local extreme high water.

In addition to the Wetlands Act, three other bills were enacted earlier in the year to help reverse the continuing erosion of our shores and beaches. The first of these bills appropriated \$700,000 for inland waterways and shore protection. A second bill appropriated \$460,000 for construction of jetties and groins to protect the area of Cape May Point from shore erosion, while the third measure appropriated \$200,000 for the protection of the Delaware River shore in the Township of Pennsville, Salem County.

Chapter 147 of The Laws of 1970 was enacted to appropriate \$29 million under the 1969 Water Conservation Bond Act for the design, engineering and acquisition of land for construction of reservoirs at the following six sites in the State:

South River Tidal Dam in Middlesex County; Raritan Confluence in Hunterdon County; Manasquan Reservoir in Monmouth County; Six Mile Run Reservoir in Somerset County; Hacketts-town in Warren County, and Two Bridges in Passaic County.

In an administrative action, positive steps have been agreed to by the Passaic Valley Sewerage Commissioners to upgrade their treatment plant effluent reaching the Passaic River and the New York Bay. This obviated the immediate necessity of prohibiting new sewerage connections in the four counties serviced by the PVSC. If the timetable for action is not adhered to and an order entered by the court embodying those terms is not complied with, then the State can go back into court for appropriate relief.

One of the primary goals to be achieved in the coming year is developing an awareness on the part of all the citizens of the State of the magnitude of the environmental crisis we face, and involving all citizens in the solution of our environmental problems. Pollution is not caused by a few malefactors, but instead is the result of actions taken by all of us.

In order to create public awareness of and involvement in our initiatives in the field of environmental protection, I will sponsor a Statewide Conference on the Environment later in the year. This conference will bring together representatives of all groups in the State to find new solutions to these pressing problems.

In an effort to retain New Jersey's leadership in the field of pollution control, the administration is proposing legislation to broaden the responsibility of the Department of Environmental Protection. These Bills will give the Department the authority it needs to regulate pesticides and noise which is becoming an ever increasing problem.

Pursuant to Executive Order #8, issued on August 31, 1970, I named a seven-man committee, chaired by Commissioner of Environmental Protection, Richard Sullivan, to study the recommendations of the report of the Clean Air Council and asked that it report back to me. The Clean Air Council report was highly critical of motor vehicles as the largest single source of air pollution and contained many recommendations for action by the State government to reduce the amount of air pollution resulting from automotive emissions. I have just received the final report of Commissioner Sullivan's Committee, and, once I have had an opportunity to make a proper evaluation, will soon be commenting on it.

During 1970 we saw an appropriation of the first \$64.5 million of the \$271 million in bond monies authorized pursuant to the Water Conservation Bond Act, Chapter 127 of the Laws of 1969. Of this

amount, approximately \$54.5 million is going for State grants to some 43 projects which also qualify for Federal assistance; and \$11 million was allocated for loans to governmental units for use in engineering studies of water pollution and control facilities. The State has thus provided sufficient monies to allow the participating municipalities and authorities to qualify for the maximum federal aid.

We have a massive problem in the attainment of clean water for our State, and a massive attack upon this problem has been mounted. I am pleased to report that progress is being made in the use of funds provided through the legislation and referendum authorizing the issuance of \$271 million for water pollution control projects and new reservoir sites. The sale of the water bonds led to very encouraging results. Thanks to the State fiscal posture as a consequence of a sweeping economy drive, brokers were willing to offer the bonds well within the legal 6 per cent limit. Monies received from the first two bond issues will be administered by the Division of Water Resources to build treatment plant facilities and related facilities such as interceptors and pumping plants. The funds will provide 25 percent state grants to projects eligible for Federal grants; eligible local municipalities will have to contribute only 42 percent of the cost. Although the Department did not receive all the Federal funds it hoped for in the 1970 fiscal year, it did receive more Federal dollars than ever before, a heartening sign in itself. We anticipate offering more of these bonds for sale in 1971 for both water pollution and reservoir projects.

To further increase the State's ability to deal with its severe water pollution problems, I will press the Federal government to declare our most polluted River, the Passaic, a model river basin. This action would mean that the Federal government, in conjunction with the State would devote special funds and expertise to cleaning up the Passaic. The actions there would serve as a model to other areas and concentrated effort will be made to accomplish this goal.

Let me refer briefly to the problem of open space and its importance during these modern days of urbanization. For two years the Open Space Policy Commission has wrestled with the problem of providing those open spaces vital to our environment and our tranquility.

Its report and recommendations will soon be published, and I will submit to the Legislature in the near future whatever legislation is necessary to implement the Commission proposals, which we believe

to be in the public interest. We will also move to expand and improve already existing open spaces. In 1971 the facilities at Island Beach State Park will be increased as will those at Ringwood State Park. Also the day use area at Spruce Run State Park will be completed.

The air pollution control program in the State has accomplished much in the recent past, particularly with respect to the issuance of regulations which are required to control many sources of air pollution. For example, a new Diesel Code will enable the Department of Environmental Protection to enforce standards for emissions from diesel-powered vehicles for the first time.

It has become apparent during the year that the Division of Fish, Game, and Shellfisheries, which operates on a dedicated fund, and receives no funds from the general treasury, is facing an economic crisis so severe that it has to cutback on some of its operations. It will therefore be necessary to increase the fees that generate the Division's revenue in order for it to continue to control and preserve the State's wildlife.

Also in serious financial trouble is the Marine Patrol Activity in the Department of Environmental Protection. To provide the boating public with the safety and protection they deserve and demand, it is necessary to raise the boat registration fees, which support the Marine Patrol. I urge you to give favorable attention to A-1159 which will raise the fees, and create a truly professional and well-equipped Marine Patrol force.

Not long ago, clean air and water were viewed as a happy, nostalgic thought of the past, because urbanization and over-population threatened to let our citizens wallow in their own waste. A good start in the battle to protect our environment has been made, particularly in New Jersey. We now have stringent rules and regulations and vigorous enforcement is necessary to ensure compliance. I promise a continued, forceful and unrelenting enforcement of all anti-pollution rules and regulations by this administration.

## HACKENSACK MEADOWLANDS

Many words have been uttered about the Hackensack Meadowlands, from the sublime to the ecstatic, and with justification. In 1971, we must proceed from words to action. This movement will take several forms.

The meadowland riparian rights issue has understandably created disputed land title matters, some of which are in litigation. Many of these can, and should be settled. I shall do all in my power to insure that the State, on its part, assumes a fair and equitable position consistent with the duties and obligations imposed by the public trust. Those disputed land title matters which cannot be amicably settled, and are in litigation, should be concluded expeditiously by the courts. The State, and the private property owner cannot afford delay. The true potential of the Hackensack Meadowlands cannot be fully realized until riparian issues have been resolved.

Garbage is engulfing the lands in the Hackensack Meadowlands which should be preserved in their natural state as well as lands which can be used for building sites. The 100 towns that depend on garbage disposal in this area voice a year by year crisis. During this year we will strive to solve the garbage problem in these Meadowlands by working for a long-term, modern system of waste disposal.

We hope to make some forward movement with the flood control system, and I will lend my support to the Hackensack Meadowlands Commission's efforts at bringing the Corps of Engineers' project to ultimate fruition. Realistically, this must be considered a long-term process.

These steps — to make inroads in resolving the riparian rights issue, in abating pollution, in handling solid waste sensibly and in pursuing the steps necessary to protect against floods, are the necessary first steps to restore the environment, and at the same time, to bring jobs, homes and recreational sites to the metropolitan area of northern New Jersey.

Another exciting prospect is the potential of a sports complex, occupied by one or more major league sports teams, in these very Meadowlands. For the past several months this Administration has been and is now negotiating with the New York Yankees and Giants, the purpose of which is to secure these two great teams as New Jersey home teams. The successful consummation of these negotiations

would inure to the benefit of all our citizens and would certainly enhance our State's image. Equally important, it would provide a magnificent catalyst for the development of the Hackensack Meadowlands. It would portend the realization of a great dream.

The door to this vast land area has been opened through the inspired and feasible Hackensack Meadowlands plan. We must, and will, act with proper dispatch.

## AID TO THE CITIES

Together with the growing inability of our States to deal in any effective way with the escalating housing shortage or to provide meaningful financial aid to the scores of dying and decaying urban areas, there is inextricably tied the whole question of Federal priorities and the reluctance of the Federal government to move with all deliberate speed to permit some form of revenue sharing. I regret that my words last January on this subject apply with equal validity in January 1971. "As a Nation," I said, "we spread our wealth across the world and into space, yet we ignored the powder keg of frustrations that produced the burning of some of our major cities." I went on to say:

*"As a result, we need in New Jersey and in this Nation a reappraisal of our basic political, social and personal values.*

*"Nationally, we must end a cruel and senseless war. Our Nation must turn its energies and resources to the serious problems at home. The new proposed Federalism must be made to work. The states can no longer supply on their own the needs of their people. The Federal Government must accept the burdens or share the dollars."*

I am sorry to report that, despite the eleventh hour aid-to-Newark legislation and the aid to the six cities legislation enacted earlier in the year, our accomplishments in the area of providing real and effective urban aid have been clearly inadequate, not because of lack of desire, but due to shortage of available dollars.

The bill to provide \$12 million to New Jersey's six largest cities, which you passed and which I reluctantly signed, was from its very inception bad legislation. Only six municipalities in the State were

aided by this bill which ignored similar needs of other municipalities. The formula for allocating aid contained a so-called crime factor which experience has demonstrated is not a valid measure of a municipality's need, and which is subject to manipulation. The formula also included a real property tax factor which fails to take into account the financial ability of a municipality to bear the burden of providing necessary governmental services.

During 1970 the problem of developing a better urban aid formula has received a high priority in my Administration. In the near future, a new formula — one which will hopefully benefit a number of municipalities — will be submitted to you for your consideration. The amount of aid which the State will be in a position to distribute cannot be determined at this time. I trust I shall be in a position to make a final budgetary determination within the next three weeks. However, without knowing how much the State can afford, I do know it will be insufficient to meet the needs of the qualifying cities and other municipalities in this State. Nonetheless, I am determined that the State will, in fact, give financial aid in this area.

As I stated at the signing of the legislation to rescue the City of Newark from the brink of bankruptcy: "Newark is a signal of storms ahead — the approaching urban storms that can bring our major cities and our sovereign states to financial destruction." The whole purpose and philosophy behind urban aid legislation is to act in a preventative way, not merely to forestall urban ruin and decay, but to undertake the task of rebuilding and restructuring our urban areas. But in order to do this we must first have a great deal of money — much more money that we now have, and much more than we dare ask from an already severely over-taxed citizenry.

The answer, however, need not always be more taxes, if the Federal government would only exercise its responsibilities and redirect our Nation's priorities to aid the Newarks of America. They and their myriad problems of housing, health, education, unemployment, crime and pollution cannot wait much longer — remedies must be provided, and quickly! Again, I repeat the message, and hope that it will be heard in Washington: The States can no longer serve the needs of their citizens without Federal funds; the Federal government must share its funds or assume our burdens.

With specific reference to the need for a Federal revenue sharing program, I would like to make the following observation. While I am encouraged by what President Nixon said in his interview on January 4,

1971 and heartened by his indication that there would be a greater commitment from the Federal government, after consulting with many officials in my own State and other Governors around the country, I feel it is essential that a minimum of \$10 billion in Federal funds is necessary to do the job if we are to do the job at all.

Throughout 1971 I intend to press vigorously, publicly and privately, both in my capacity as Governor of New Jersey and as a member of the National Governors Conference, for speedy implementation, on the Federal level, of revenue sharing programs and for expansion of block grant programs. I had sincerely hoped that we could have achieved these results in 1970. We cannot afford to let it slip through our fingers again in 1971. For our cities, it is literally an issue of life or death! For our Nation, it involves a question of the continued viability of the Federal system of government.

## TRANSPORTATION

Turning to the field of transportation, one year ago I stated:

*"... I shall look for greater participation in the field of mass transportation and highway construction by many public authorities of this State. I am confident that in this effort to implement the policy of our State in this important endeavor we will have enthusiastic cooperation from the governors of our sister States. I am convinced that a proper, balanced program of mass transportation and highway development is indispensable to the economic growth of New Jersey and the redevelopment and revitalization of our principal cities."*

We found, after taking office last January, that before we could begin to achieve these goals, a complete restructuring of the Department of Transportation was required. We also discovered that before we could hope to effectively monitor, or participate in, the critical activities of the different public authorities and interstate agencies, new methods of communication and cooperation had to be established.

The Transportation Department which my Administration inherited was completely out of touch with the total transportation needs of the citizens of the State. It was little more than a highway department, the primary concern of which was road building.

Certainly, highway development is an important, integral function of any modern transportation system. But it must not be permitted to take complete precedence over other badly needed modes of transportation, such as, mass transit systems, which serve as connectors of large urban centers of population, high speed lines, which connect local suburban communities with nearby urban areas airports, and STOLports (Short Take-Off and Landing ports), which rapidly move people to and from major cities and airports. It is time, therefore, to recognize that we are fast moving out of the highway building era into a new period of total transportation service, and that we must have a modern Transportation Department capable of meeting this new challenge.

Consequently, during the past year, at my direction, the Transportation Department has been undergoing a basic reorganization and general overhauling. The objective I set forth a year ago was its transformation into a professional organization capable of guiding and developing *all* of New Jersey's transportation resources to serve its citizens, its visitors, its industries and its commerce safely, conveniently, reliably and economically. While I am not completely satisfied with our progress to date I believe the foundation for a more responsive Department has been constructed by our new Commissioner. New leadership should bring about greater accomplishments in the coming year.

Last year I directed the Department to undertake a major updating and revision of the so-called "1968 Master Plan for Transportation," which dealt only with State highways and the commuter railroads. Our revised plan will take into account our total transportation system — State and local roads and streets, the railroad network, including both commuter and freight lines, and the bus services, airports and seaports.

This planning is coordinated closely with the on-going national effort to develop a National Transportation Policy, embracing highways, public transportation and airports. Last year I designated the Commissioner of Transportation as my representative in this national effort being conducted by the Federal Department of Transportation. It is anticipated that this new national policy will provide a firm basis for enlarged and more effective Federal aid for our total transportation system.

In the interest of insuring a close collaboration with the several State authorities and interstate agencies, which have in the past, built and operated major facilities with little or no coordination with the State's Department of Transportation or with each other, I created in 1970 the Governor's Transportation Committee. This group, under the chairmanship of the Transportation Commissioner, includes the chairmen of the three State authorities, the senior New Jersey members of the four interstate bridge and port agencies and a representative of my own staff.

As a direct result, a dispute over \$11 million between the Highway Authority and the State of New Jersey was resolved in a cooperative effort that will bring about much needed expansion and improvement of that part of the State Highway that is an integral part of the Garden State Highway.

This new Committee has also started a feasibility study that should eventually lead to the construction of a new toll road connecting the Toms River area of Ocean County with the New York Thruway — thus relieving existing congestion and providing speedy transportation by passenger and commercial vehicles to New York and New England.

New cooperative efforts — planning, purchasing and related activities must inure to the great benefit of the citizens of our State. New direction and leadership is evident and progress should continue at an increased tempo.

Additionally, to take a hard look at the problems of northern New Jersey relating to transportation across the Hudson River, we have created an Interagency Task Force to mobilize the technical talents of our Department of Transportation, the Port of New York Authority and the Metropolitan Transportation Authority of New York State.

Among the projects now underway — and one which for several years had been bogged down and frustrated by lack of effective leadership and excessive inter-agency squabbling — is the exclusive bus-lane project between the Turnpike and the Lincoln Tunnel, which began operations in mid-December and is expediting the movement during the morning rush hours of over 800 buses carrying some 37,000 Manhattan-bound commuters. This project involved mobilizing the talents of the Department of Transportation and the State Police, along with the Hudson County Police, the New Jersey Turnpike Authority, the Port of New York Authority, the Tri-State Transportation Commission and the Federal Highway Administration. The latter

agency granted \$500,000 and the Turnpike Authority provided approximately \$100,000 to meet the costs of temporary construction and traffic controls. It marks a singularly successful achievement in interagency cooperation and I take this occasion to commend all who have so enthusiastically contributed to the realization of this project. Lessons learned here will be applied generally throughout the State where bus operations are handicapped by congestion.

In connection with our State's urgent need for more mass transit facilities, we have created, in collaboration with the Governors of New York and Connecticut, a Governors' Special Commission on Mass Transit Financing, in an effort to devise effective fiscal support for essential metropolitan commuter services — a problem of which this Legislature is well aware as a result of the recurring crises of the Central Railroad of New Jersey.

And for South Jersey, I have, as you now know, endorsed the initial recommendations of the Committee on Regional Development (CORD), which brings together a blue-ribbon group representing New Jersey, Delaware and Pennsylvania.

The future of New Jersey is closely linked with that of our neighbors. Action taken in Pennsylvania or Delaware can have major effects for the citizens of this State — and vice versa. As a prime example, take the basic problems of air, water, and ground transportation. These problems, and the various state approaches in meeting them, are closely inter-related. Recognizing this interdependence, the Governors of New Jersey, Delaware and Pennsylvania directed the Committee on Regional Development to study the need for a comprehensive three-state transportation agency in the Delaware Valley.

This Committee, has submitted its recommendation in a draft of an interstate compact to achieve such an agency. After carefully considering alternatives, the Committee finds that the best solution is to consolidate the region's existing bi-state river-crossing authorities and air-carrier airports into a combined tri-state agency that can assure good transportation services for the entire community.

The benefits from this step, through improved coordination and efficiency are represented to amount to millions of dollars a year in wages throughout the three-state area. The less tangible advantages of superior transportation and a better environment for the region's citizens and visitors can be even more important. By making optimum

use of the existing air-carrier airports in a well-balanced total system, for instance, this agency can eliminate the region's need for additional long-haul runways and additional jetports.

Within the past few days, I have met with Governor Peterson of Delaware and Governor-Elect Shapp of Pennsylvania to review the draft compact, and we will be meeting again in April to further discuss this proposal. If agreement is reached it can then be submitted to our three Legislatures for their consideration. If approved, this will be the first time in the Nation's history that a three-state community has formed an operating transportation agency. As the first three states to join the Union, Delaware, Pennsylvania and New Jersey are ideally suited to this new pioneering role. In preparation for our country's Bicentennial celebration, we can provide a dramatic demonstration of governmental progress — in the region where the Nation's government was born.

This can also be a precedent for further interstate cooperation in this key community at the heart of the megalopolis. Certainly it could have a dramatic effect on the problems of air pollution. These problems cannot be solved by any single state because airborne gasses and particles do not respect state boundaries. One state's emission is another state's pollution, depending on how the wind blows. The joint approach being proposed for transportation should be carefully considered for application to this and the other region-wide problems of waste management. As a key partner in two of the Nation's greatest regions, New Jersey needs effective regional arrangements for solving these and the other growing problems of an industrial society. The proposed Delaware Valley Tri-State Compact could be a crucial step in meeting this need.

Not all of the initiatives during 1970 in the effort to improve our State's transportation system have been through administrative and executive action. Let me briefly summarize what we have done legislatively.

Perhaps the most significant legislative action of last year was the appropriation of \$127.2 million from the New Jersey Transportation Bond Act of 1968 — \$97.2 million of which will be devoted to public transportation projects and \$30 million of which will be used for State highway projects. The public transportation portion is going for the purchase of new railroad cars, station improvements, and right of way improvement.

Legislation was enacted continuing the life of the Tri-State Transportation Commission through June of 1971. The Federal government requires funding for transportation through regional planning agencies, and the Tri-State Commission meets this requirement, making New Jersey eligible to receive continued Federal funds.

A bill was enacted providing an additional \$500,000 for the program of public support to bus companies in financial difficulties, so as to insure continuance of service. In addition, the Legislature has passed Senate Bill No. 992 which provides \$2 million to assure the continuance of essential freight service in our State. I expect to be in a position to sign this bill in the near future, which should provide some much needed relief for the Central Railroad of New Jersey. I am hopeful that a new Trustee for this troubled company will bring to it expertise and leadership, to the end that the Central Railroad will provide improved commuter service to our citizens and expanded freight service to our business community.

Similarly, I will continue to press for the refinement of a North Jersey transportation plan which will stabilize and improve commuter rail, rapid transit and bus services for the complex of communities west of the Hudson River from Monmouth County northward to Bergen and Passaic Counties and westward to Morris, Somerset and Middlesex Counties.

Not ignored in these many-faceted activities are the highway improvements. I have directed that we move forward to the completion of the Interstate System within New Jersey just as rapidly as Federal funding will permit. We must complete as a first priority the open links in Interstate 80 and 280 from the Delaware Water Gap to the George Washington Bridge and the tunnels. I-78 from Phillipsburg and I-195 from Trenton to the Shore also are in top priority along with I-76 in Camden, and I-295 as far north as Trenton.

Infused with the added financial strength from the 1968 Transportation Bond Issue, major intrastate state highway projects are being expedited. A revised program, realistically tailored to achievable targets, is in preparation and will shortly be submitted to legislative approval and appropriation of bond funds.

Nevertheless, it has become increasingly evident to me that our needed highway improvements cannot be completed with the resources remaining in the current bond issue. At the same time, the

now rapidly deteriorating condition of our existing highway network requires an expanded maintenance effort, along with extensive "spot" improvements to eliminate hazardous traffic "booby traps."

At the same time, it has become painfully evident that the needed improvements on the 28,000 miles of local roads and streets maintained by the counties and municipalities are rapidly outstripping the available financial resources despite added State aid provided by the Legislature since 1967. To devise a more effective way of improving the local road system, I am directing the Department of Transportation to undertake a thorough study and to prepare recommendations for submission to the Legislature. Such an effort, coupled with the current studies of the State's overall tax structure, should provide a firm and continuing financial program for the necessary support of our highway, public transportation and aviation facilities and services.

Not to be neglected, I must add, are the airport and aviation needs. While I continue my opposition to a fourth jetport in the State, I do advocate a realistic program to preserve and upgrade existing airports essential to general aviation — personal and business flying along with special services — and to develop a system of STOLports for the coming short-take-off-and-landing plane services which will be a part of Northeast Corridor transportation system. Several significant projects are in the planning stage and will shortly be advanced for public review and decision.

I have suggested the development and construction of a suitable rail link between the expanded Newark Airport and the City of Newark and other key locations and have urged that this work be undertaken and financed by the Port of New York Authority. While my relationship with the Authority has been pleasant and friendly and while a new spirit of cooperation is evident, I will expect to see more progress in public transportation in the Northern part of the State in the future.

No area in State government presents more difficult and complex problems than the development of modern transportation geared to the needs of our mobile citizenry. New concepts, innovative procedures, the cooperation of labor unions, a commitment of additional Federal funds — all are essential if we are to provide the services required in the seventies.

All in all, then, I do report to you this wide-ranging variety of actions to move New Jersey to the forefront in transportation progress. As earlier emphasized, the numerous studies, plans and projects are

just now being firmly formulated after the probing and reorganizational efforts of 1970. For 1971, I promise the most vigorous and enlightened efforts to implement coordinated and constructive improvements in public transportation, in aviation and in highways. I pledge you my most vigorous prosecution of transportation progress in New Jersey.

## DIVISION OF MOTOR VEHICLES

Of the Administration's accomplishments worthy of mention is the turn-about situation in the Division of Motor Vehicles.

Once one of the most criticized and problem-laden areas in State government, the Division has become one of the best examples of what aggressive young management can do.

The Division is now under the direction of a new team dedicated to improving services to our nearly four million citizens who depend on their vehicles for transportation and as a means of earning a livelihood.

This past year, their efforts to improve services to the public include: a complete reevaluation of the inspection system which revised all station operations on a basis of area workloads. Waiting times have been substantially reduced along with a decreased operational cost and no capital expenditures. Reassignment of the work force and expanded service hours contributed to this improvement. Part of this was also achieved through the state-certified, self-inspection of trucks and other commercial vehicles. Also, trucks that were formerly registered out of state while based in New Jersey are now required to be registered here. Both the increase in revenue and the better control resulting from such enforcement have contributed substantially to motor carrier safety.

Internal Division reorganization has saved nearly a million dollars in operating expense while increasing revenues by \$7 million. This was achieved through managerial efficiencies evidenced by the Division's budget request for the coming year which is the lowest monetary request in three years, and the lowest personnel request in five years.

The Motor Vehicle Insurance Verification Unit, which started operations in June, has already collected \$500,000 in uninsured motorists' fees. This effort means increased financial security has been

given to those who otherwise would have been victims of huge medical and property damage expenses caused by uninsured motorists. This unit is also suspending the license and registration privileges of 2500 drivers a month who refuse to either carry insurance or pay the \$50 fee.

The "60/70 Suspension for Speeding Regulation," which neither changed the driving habits of violators nor contributed to an improvement in highway safety, was repealed. While suspensions were imposed originally as a means of taking dangerous drivers off our highways, we know that many drive despite the penalties involved. Therefore, we now offer attendance at a Driver Improvement School as an alternative to suspension. The schools are geared to re-educate violators on safety and re-train their driving patterns. We anticipate that some 12,000 violators will attend the schools this coming year.

For the first time since 1956, the Division's enforcement staff has been returned to the highways during peak traffic hours and holiday weekends. This use of additional manpower has meant greater highway surveillance, safety, and motorist assistance.

During the coming year, the Division is gearing for increased use of electronic data processing facilities for greater efficiency at limited operational cost. This will significantly streamline the enormous volume of paper work characteristic of this Division.

Also, a single-fee passenger registration is under consideration. These will simplify and reduce handling and annual costs as well as producing a modest increase in revenue.

Considering the Division's 40 per cent turn-over in personnel, the Administration is planning intensive training programs to upgrade human and technical skills. This will help to greatly reduce the number of errors that cause citizen complaints and irritation.

Vital to our commitment to traffic safety, and in conjunction with the National Highway Safety Bureau, the Administration is studying a drunk driver detection and control program to reduce the tragic and unacceptable number of fatalities and injuries on our highways.

I am encouraged by the results which have been accomplished in the regulation of Motor Vehicles, and anticipate further progress this year.

## HEALTH

The creation of a Statewide system of medical education, with medical and dental education organized under one governing board, represents a major advance in reducing the serious shortage of doctors.

In outlining proposals for this system to the Legislature, I reaffirmed my Administration's commitment to improving the quality of care at Martland Hospital in Newark. In accordance with this message I have urged the new Board of Trustees to begin a study of the feasibility of developing a series of clinical training schools throughout the State as an integral part of New Jersey's medical education system.

Soaring costs of hospitalization and medical care make Health Insurance a necessity for our citizens. A series of bills which I signed into law will bring about the following major changes in the Blue Cross-Blue Shield programs:

First, the composition of the Board of Trustees of the Hospital Service Plan, which administers the hospitalization benefits programs, is reconstituted in favor of the consumer. Prior legislation required that at least 51 per cent of the board had to be "hospital-oriented." This new measure provides that the board shall be made up of persons who are one-third hospital-oriented, one-third subscribers of the plans and one-third representatives from the general public.

Second, "Experience-ratings" can now be used to determine the premium rates for members of groups of 100 or more persons. Thereafter, groups that, on the whole, use the benefits of the program less than other groups, will pay a lower premium than groups which have had a history of a greater use of the program's benefits.

Third, individual contracts can now be amended by either party on only 30 days notice rather than the former 90 day period. This will permit a more timely revision of premium rates, upward or downward, or of the actual terms of the contract.

Fourth, hospital service plans will now be permitted to provide health care benefits that are not required to be related to hospital admission. This means that coverage is expanded to certain situations where a physician treats an individual as an out-patient so that it will not be necessary for him to be first hospitalized in order to qualify. This will facilitate the delivery of medical services at reduced cost.

In order to improve the efficiency and ability of State government to provide public health services, a comprehensive reorganization of the State's Department of Health has been initiated under which nine operating Divisions have been reduced to five. Under the Department, important strides forward have been made in migrant health care, family planning efforts, venereal disease control and the prevention of German measles. This reorganization will also play an important factor in bringing about the Department's goal of eventually achieving 100 per cent Statewide public health coverage.

### Health Goals

Although there has been progress, I must reaffirm my conviction that a crisis exists in health care delivery and that urgent action is required. In the year ahead we must renew our efforts to deal directly with the conditions jeopardizing the health and well-being of New Jersey's citizens. These conditions include:

- hospital costs which have increased at a rate 6 times as fast as the cost of living during the past 5 years.
- obsolete and inadequate hospitals, particularly in urban areas.
- reduction of hospital and State health institution services because of a lack of nurses, doctors and other medical manpower.
- uneven distribution of care as reflected by the health statistics of our rural and core-city areas.
- the limited availability of physicians for both routine and emergency care.

In this effort, several of the goals which will be pursued are:

First, we must work with medical, hospital, nursing, health officer and community organizations to reduce the fragmentation of medical services that currently exists so that a constellation of services can be provided at one location to individuals or families.

But let me say very frankly that our crises in Health Delivery will not be solved until we educate and train in this Nation and this State more doctors and more nurses.

The situation of the foreign nurses in our State provides us with a distressing example of the point I am making. Last year 138 foreign trained nurses were enrolled in a training program to assist them to

pass State examinations because of their lack of knowledge of the English language and because some had previously failed these tests.

Approximately 50 per cent of these nurses were from Cuba, another 27 per cent from the Philippines, Thailand and Jamaica, with the remainder coming from 14 other countries. Only 5 per cent actually received Bachelor of Science degrees. The bulk of these girls, 88 per cent of them, graduated from hospital diploma schools of nursing.

At the same time that we were bringing these foreign girls into our State last year, our own hospital schools of nursing were unable to fill 200 vacancies, or 28 per cent of the available 700 positions. And, during this same period last year, it was estimated that statewide hospitals were operating with 1000 less nurses than they actually required.

Yet, with this knowledge, there is in our State continuing opposition to a liberalization of entrance requirements to the hospital schools of nursing and an effective exclusion of many young girls who have life-long dreams of becoming nurses.

I am particularly disturbed by the standards which have been established for admission to some private hospital schools of nursing. These requirements include graduation from high school in the upper 1/2 to 1/3 of the class, the achievement of a 107 IQ rating on formalized tests, and successful completion of a standard test prepared by the National League of Nurses.

Utilization of such criteria, in my judgment, may seriously deter highly motivated and capable young women who have the ability to become trained nurses, especially in the lower-socio-economic strata, from achieving their dreams of becoming a nurse. Such unduly strict criteria can be met only by those who are academically oriented and who have top educational credentials. With the new educational and career opportunities afforded women with such credentials in today's modern world, few have viewed hospital nursing preparation as an attractive alternative.

If the nursing shortage is to be met, professional nursing must be an attractive alternative to other career opportunities available to women. However, I believe that professionalization cannot be accomplished through limiting the number of girls who are permitted to enter the field of nursing.

We must seek new ways of upgrading the opportunities available

to those in the nursing profession. One way to achieve this is through the "career ladder concept" which permits educational advancement to those already in the profession. Recently the Monmouth College and Ann May School of Nursing at the Jersey Shore Medical Center – Fitkin Hospital – initiated an innovative program whereby nurses receiving a diploma at the Ann May School would also receive 100 college credits at Monmouth College. This means that upon receiving the hospital school diploma the girl might take the nursing boards and enter practice for awhile. At a later date she could then complete a one-year course at the Monmouth College and receive a B.S. in Biology. This is an incentive program that recommends itself to other hospitals and colleges suitably situated.

I would express the hope that the State Board of Nurses would encourage the expansion of the program in Monmouth County and encourage additional programs, particularly in those areas such as Newark, Paterson, Camden, Trenton, Jersey City, where the need for nurses is great and where a cooperative effort between college and hospital is easily accomplished. I would urge you, the representatives of the people, to urge this type of encouragement to the young people of your Legislative Districts.

If we can continue to increase the number of students in our medical schools, if we can introduce new concepts into our educational programs, if we can train and utilize para-medics, if we can adjust realistically criteria for admission to our Schools of Nursing and establish incentive programs to attract girls to nursing – then our financial commitment to the construction of new hospitals, medical centers and community treatment facilities will indeed provide our citizens with the medical and health delivery they so desperately need and deserve.

## INSTITUTIONS

I have, during the past year, personally visited most of the institutions operated by the State of New Jersey. In most instances we can be truly proud of our institutions, their Boards, Directors, Superintendents and personnel. Most of these institutions are truly outstanding and rank with the best in the Nation. I was particularly proud of, and pleased with, those attending the needs of our children.

But there were exceptions – and there were demonstrable needs for new facilities and expanded services.

One of my most disturbing experiences led me to attempt to assess responsibility so that I could take forceful remedial action. This led me to a startling discovery and a firm conclusion. I discovered a fragmentation of authority and responsibility and concluded that a reorganization of this Department was absolutely necessary.

I therefore believe that in 1971 we must undertake serious efforts to update and reorganize the internal operations of the Department of Institutions and Agencies. Over the years, this Department has become something of a catch-all. Its jurisdiction is extremely expansive and in some cases there is a legitimate question as to whether the Department should logically retain jurisdiction over certain limited institutions. In many instances there is an overlapping of authority within Divisions of the Department. In short, the operations of the Department of Institutions and Agencies can rightfully be called cumbersome, and this can only undercut the high level of services which we must constantly strive to provide. The Management Commission Report confirmed my own findings when it stated: "*the decision-making process for the institutions is often too slow and confusing because of the dual authority structure which pervades the Department,*" and that "*communications and planning are hampered since Bureaus and individuals performing related functions are in different divisions.*"

Glaring deficiencies that I have observed regarding this Department include the absence of clear lines of authority and a truly effective system for collection of data pertaining to the operations of the various divisions within the Department. I am personally convinced that the Commissioner should be appointed by the Governor, with the advice and consent of the Senate, and that he should be held personally responsible for the efficient operation of this Department. If the Department is to modernize and update its program and facilities, logically it must first know where its strengths and weaknesses lie, and therefore in what areas it must concentrate its efforts. There is no way of accomplishing an effective evaluation without having ample and relevant statistics from which to work. With respect to the corrections system, this lack of available data was particularly noticeable. I will therefore recommend in the near future as part of an overall departmental reorganization, a central clearing house within the Department to solicit and gather data from each Division and Bureau.

During the past year, I have reviewed the many complex elements that comprise our correctional system, including courts, probation and parole offices, State and county institutions and social service organizations, and have been impressed by the urgent need for new facilities, enlightened reforms and more effective coordination of programs and efforts.

While our State is not alone in its failure to deal effectively with anti-social, destructive behavior, I am convinced that, in the days ahead, we must seek to curb the cycle of crime and recidivism through a program of bold experimentation and reform — a program which will integrate new research with needed action. To do otherwise, in my judgment, would, at best, perpetrate a costly, treadmill approach to criminal justice; at worst, it would disregard the human values of a productive life.

In this effort, the dismal, overcrowded conditions in State and county institutions will continue to receive priority attention. During the past year my office has expedited completion of the new prison complex at Leesburg. Final construction and staffing is anticipated this spring. This will help to relieve the unprecedented demands now made on the Rahway and Trenton State facilities by soaring inmate populations. There is no doubt in my mind that additional facilities are essential; the Trenton State Prison has outlived its usefulness and should be replaced by a modern institution.

We cannot, however, reduce crime and recidivism by merely building more prisons or more efficient utilization of existing mortar and bricks. The failure of the traditional prison as a deterrent to crime, and as a rehabilitative agency, has been too well documented. I, therefore, propose that systematic and comprehensive reform be undertaken.

In State and county institutions this effort will require experimentation with promising rehabilitation and treatment concepts. I will announce next week the appointment of a Commission on Vocational Education in Correctional Institutions. The Commission's membership will be representative of labor, industry and education, and will be charged with formulating constructive recommendations to minimize the possibility that convicts returning to the community will return to crime because of a lack of job skills or unavailability of a job. To release a man with no job experience or training, and burdened by a criminal record, with the expectation that he will be successful in following lawful pursuits is unrealistic. Industry

should help in the preparation and training of such persons during confinement, and in job placement and rehabilitation after release. This is our goal — this is our responsibility!

In one of the largest areas of responsibility under the Department of Institutions and Agencies, public welfare, we took some important first steps last year in the direction of reform.

Shocked by the soaring annual costs of providing welfare services to our citizens, I established a special panel to evaluate our State's options in dealing with what has clearly become a welfare crisis situation. Every year we have been pouring more funds into our welfare programs, with no appreciable effect on reducing the welfare rolls. Instead, the rolls have been rising dramatically, and welfare costs for fiscal 1971 threaten to skyrocket by as much as 50 per cent.

In my judgment, it is time for us to reform our welfare programs from top to bottom, so that they will work more effectively. We must not allow a welfare existence to appeal to individuals as a desirable alternative to gainful employment.

In this connection, the welfare panel, comprised of three Legislators, three Mayors, three Freeholders, and three private citizens, was directed to work closely with the Governor's Task Force on Welfare Management. Hopefully, we can begin implementing some of these recommendations for reform on an urgent basis.

During the past year I have been pressing for Congressional approval of the President's Family Assistance Plan, which represents an improved program of welfare reform on the national level. As a part of this effort, I communicated frequently with New Jersey's Congressional delegation, and with every Governor and Governor-elect in the United States. I was discouraged that the U. S. Senate failed to approve the bill, but encouraged by President Nixon's increased activity and determination to obtain approval in the next Congress.

But whether or not we achieve speedy approval of the Family Assistance Plan this year, I intend to see that we in New Jersey accomplish our own reforms — as expeditiously as possible. The welfare panel report should be available shortly and I shall move forthwith to accomplish sound recommendations.

In another very important area of responsibility, that of children's services, I believe we have made some progress.

I directed the assignment of three additional Deputy Attorneys

General to the Bureau of Children's Services to work full time to reduce the tremendous backlog of adoption cases, including court proceedings for the termination of parents rights. These attorneys have been working on this problem since September and have made significant inroads.

I authorized the Department of Institutions and Agencies to initiate through the Bureau of Children's Services a pilot project which will reimburse private adoption agencies for finding adoptive homes for "hard to place" children. The Department has already earmarked \$50,000 of its existing budget to be utilized in this experiment. Regulations defining "hard to place" children have already been formulated and published, and the program is now underway.

I also authorized and expedited plans to acquire a residential facility in Morris County, which will provide 50 beds for "hard to place" children. This facility will be used as a temporary shelter for these children waiting adoption.

We have also made significant progress in the critical areas of mental health and retardation.

Some tangible progress was made regarding citizens of the State with emotional difficulties at Greystone Park State Hospital this past year. A senior Medical Director from one of New Jersey's other mental hospitals was assigned to Greystone Park to complete the process of decentralization and implementation of up-to-date management and personnel practices. These changes combined with a 400 patient reduction in its census, will reduce stress and enable the professional staff to provide direct treatment benefits. Some portions of Greystone Park's problems, however, are the result of a deteriorated physical plant. To correct this condition, the Department of Institutions and Agencies has requested from the Legislature a \$12 million appropriation of available Bond Issue funds to repair and renovate the hospital. In addition to modernization of old buildings and utilities, such funds would permit the development of two intensive treatment units and an adolescent treatment center. As of today, Greystone Park is a more effective, better administered, less crowded instrument for the treatment of New Jersey's citizens. It is my firm intention that the past year's improvement will continue.

The community mental health center at the New Jersey College of Medicine and Dentistry in Newark received a Federal staffing grant in excess of \$1 million in November 1970, part of an eight-year staffing grant from the National Institute of Mental Health. Under the terms of

a contractual agreement between the Department of Institutions and Agencies and the New Jersey College of Medicine and Dentistry, State funds will be provided in the amount of \$646,699 for administration, supervision and management of the Newark mental health center.

With an increase in recruitment of personnel due to salary adjustment the Hunterdon State School, constructed with 1968 Bond Issue funds, will be filled to capacity by the end of this fiscal year. Additional Bond Issue funds which became available during the year will enable construction of four additional cottages to provide for 200 more retarded persons; this construction will complete this residential complex housing 1000 retarded patients. Besides reducing the waiting period for residential placement the strategic location of the new facilities, such as Hunterdon, enhances continuation of family contact, a factor of considerable significance to families of our handicapped citizens. A revised admission procedure designed to provide a much smoother transition to institutional living was initiated and appears to have aided families during the difficult initial period of separation.

At the close of 1970 there were seven State-operated Day Training Centers available for retarded children in seven counties throughout the State. An additional two centers will open in two other counties early this year, and by the end of this current year four more centers, soon to be under construction, will be open and providing services to even more retarded children. In addition, by the end of 1971 we will have acquired sites for five more centers to be built at a future time. Paid for by a combination of State bond monies and Federal grants, this network of centers is already providing New Jersey's retarded children with the most comprehensive State-operated day-training program in any State in the Nation. By the time the building program has been completed, all of our State's 21 counties will be served. Enrollment of adult retarded persons, who may be incapable of participating in community vocational training programs in the Day Adult Activity program has increased from 32 to 120 during the current fiscal year.

I expect to revisit our institutions during the current year and expect to see further progress. I know you share my commitment to improve the lot of the sick, the disabled, the weak, the troubled and the needy. And that you believe with me that "there is no better exercise for the heart than reaching down and helping people up." Together we can help make New Jersey institutions the pride of our State.

## LABOR AND INDUSTRY

One of the significant achievements of the past year has been the reorganization of the Department of Labor and Industry to integrate the important activities of economic development and manpower development to enable the Department to truly serve the interests of both labor and industry. This integration has been highlighted by the successful dinner held recently in Newark, at which time I had the pleasure of presenting awards to outstanding labor and industry leaders of the State.

### Economic Development

The maintenance of a vigorous economy is of concern to all citizens of New Jersey. There is evidence to indicate that we have been fortunate in experiencing remarkable over-all growth during the last decade. Nevertheless, there is also evidence to indicate certain deficiencies; for example, although the 1969 State annual average unemployment rate was 4.4 per cent monthly rates ranges from a 3.6 per cent to 5.3 per cent. In addition, the 15 major areas in New Jersey had average unemployment rates ranging from 3.1 per cent to 9.0 per cent. From this evidence alone, it can be seen that the State has need for direction in its future economic development from both economic and regional perspectives in order to fill in the gaps.

The Department of Labor and Industry has developed various criteria for evaluating the desirability of different types of industry. It is engaged in a study concerning the feasibility of various assistance programs, financial and technical. From this will be developed a plan of economic development designed to promote those industries providing steady employment, at high wages, with the least damaging effect upon our environment.

### Manpower

The major impact of de-escalation will be upon the manpower resources of New Jersey. Information we have received from Washington indicates that New Jersey can very well expect 50,000 returning servicemen by the Spring of 1971. Accordingly, I have directed the Department of Labor and Industry to initiate a special program for veterans of the Vietnam conflict. Each returning veteran will receive from me a letter directing him to a specifically designated person of the Department who has undergone a special course to thoroughly familiarize him with veterans' rights and training benefits.

These employment specialists will do more than just answer questions. It will be their responsibility to seek out, from whatever source possible, job opportunities to match the capabilities of each returning veteran.

A program will be implemented in cooperation with the Federal Government to enable minority workers to seek gainful employment as journeymen in the construction industry. The high rate of unemployment, especially among minority youth, is also recognized by the development of a State Apprenticeship Outreach Program. These programs will reduce the tensions existing in minority communities throughout the State, characterized by the lack of employment opportunities in the construction industry.

### Labor Standards

The State minimum wage of \$1.50 an hour has not been increased since January 1, 1969. It is my intent to take a good look at this subject to determine where we can and should go in light of the inflation spiral.

### Services to Migrant Workers

I am requesting that recommendations which I previously made, based on a Department of Labor and Industry study concerning the living and working conditions of migrant workers, be acted upon by the Legislature. Among these recommendations are the granting of reasonable visitation privileges to migrant farm workers, while at the same time protecting the rights of farmers; amendment of the Seasonal Farm Labor Act to require that farmers employ only registered crew leaders; increased penalties for crew leader violations; establishing the farmer as being primarily responsible for workers on his premises, whether they be employees of the farmer or the crew leader; amending the Wage and Hour Law so that farm piecework employees who work on a daily basis earn at least the minimum wage for each day of work, based on hours actually worked, and extending the provisions of the Puerto Rican contract to all seasonal farm employees.

It is incumbent upon the State, which benefits from the seasonal labors of migrant workers, to insure that they are provided with decent living and working conditions.

### Employer-Employee Relations

Since the enactment of legislation in September of 1968 governing employer-employee relations in the public service, there has been a tremendous amount of activity and some progress in amicably resolving various problems that have arisen. However, experience has shown Chapter 303 has deficiencies. Their extent, and their implications, must be thoughtfully reviewed in the perspective of the necessity to balance the rights of the public employee as well as the rights of the public and the public employer.

### Workmen's Compensation

I am gravely concerned about the backlog of 47,336 cases awaiting disposition in the Workmen's Compensation courts. The injured worker is entitled to prompt, as well as fair, review of his claim for benefits. There are many reasons causing this unsatisfactory backlog, and it is time for a review of the entire workmen's compensation program as it operates in this State. Both labor and management have expressed concern about the cost of workmen's compensation, on the one hand, and time delays in processing benefits, on the other hand. I intend to appoint a committee, composed of representatives from organized labor, from business and industry, and assign them responsibility for submitting to me a report of what needs to be done in order to achieve the objective of prompt, fair resolution of claims.

## CIVIL SERVICE

I have repeatedly expressed the view that, in this administration, I intend to strive for an "era of excellence." I know that high standards of achievement in public service are extremely difficult without the support and cooperation of the public employees who, I recognize, must also consider their own interests in terms of salary, achievement and job satisfaction. It is my intention during the coming year to give careful consideration to employees' goals in an effort to mold an even stronger relationship between the Executive and Personnel branches of Government.

It has come to my attention that there may be some unrest among State employees, particularly because of the findings of the Governor's Management Study Commission, the general depressed economy,

the recent employee layoffs by the Mayor of New York City and other apprehensions. While changes are always necessary to improve public service, I want to reiterate my previous statements that the rights of State employees is to me a personal concern and if any changes in State government do occur, the rights and protection of all State employees shall receive my top consideration.

In 1970 this administration implemented the so-called Hay salary recommendation and it provided approximately \$30 million in salary increases to State employees by establishing different salary ranges based upon an analysis of the occupation performed. The Hay study was recommended of course, by a previous legislature and I believed it advisable to implement the recommendations which resulted from the report, but at the same time, our Civil Service Department provided an extensive avenue of appeal for all employees who were dissatisfied with the effect that the report had on their salary schedule. Corrections of inequities in this report will continue to have our immediate and undivided attention wherever they are found, and reconciled.

I have always felt that a true merit system does not exist unless those employees who perform "with merit" receive an additional compensation to reward them for their meritorious effort. Because of these strong beliefs, we have developed and have under consideration, a new merit principle, which, it is hoped, can soon be adopted. I strongly believe that the merit principle will serve as an incentive to our State employees to make that "extra effort" so necessary for a job well done.

For years there has been general dissatisfaction with the performance rating system initiated and supervised by the Department of Civil Service. A study by the Federal Civil Service Commission of our performance rating system is near completion. It is anticipated that a new simplified rating system reflecting "the best of the art as it now exists" will be implemented during the coming year. The new performance rating system will relate to the merit compensation plan.

Some of the major criticisms of the Civil Service systems in the past, both by employees and appointing authorities, have been: the delay in personnel action processing; the close attention to minute detail, thereby losing the overall objective of the personnel request, and the validity of the testing procedures.

I hope the forthcoming year will see a marked improvement by the Civil Service Department in these areas of concern. The budget

reflects the Department's effort to streamline its operating procedures to the betterment of all concerned.

I intend to request an appropriation of \$50,000 for a detailed feasibility and development study by the Department of Civil Service for the creation of a Public Service Institute.

Numerous studies have time and time again stressed the dire need for management development of career public employees. At the present time, State Management Development Training Programs are fragmented and inadequate with respect to program content, facilities, and the number and types of employees who receive this training. At the county and local level of government, the training of career public employees is practically non-existent.

There is little or no coordination between the universities and colleges of the State and the training and management development needs of the public service, both at the State and at the local government level.

At the same time, our citizens and those elected to office are insisting on better performance of the public employee and a more efficient mode of operation of our governmental agencies. The needs of our citizens cannot be met unless career public employees are properly trained to perform their daily tasks and are continually updated in the concepts and skills of public service.

The Department of Civil Service will prepare a report that will detail the concepts, organization structure, curriculum suggestions, methods of financing, cost estimates and source of funding. In addition, the study would delineate the academic government relationship that would be maintained with respect to the creation of a Public Service Institute. The Legislative, Executive, Judicial, Higher Education, County and Local governments, as well as other states who have or who are contemplating the creation of a state-wide training program for career public employees, will be consulted.

The report shall be prepared and distributed to all interested groups in sufficient time to allow ample discussion and consideration of a proposal for the creation of a Public Service Institute in the 1972-1973 fiscal budget year.

On January 5, 1971, President Nixon signed into law the Intergovernmental Personnel Act. This is the first specific Federal legislation passed that acknowledges the dire need of State and local

governments to upgrade their personnel systems and to establish a high priority for the in-service and professional training of public service career employees.

Though the funding provisions are open-end, it is expected that the first year's appropriation will be approximately \$20 million for the entire Nation. New Jersey will aggressively seek these Federal dollars to better its personnel systems and training capabilities for our State agencies and local governments. The Federal government will pay for 75 per cent of our increased effort for the first three years, and 50 per cent of the cost thereafter.

Better personnel systems, better training, will result in a dedicated career public service employee which means more productive and effective services to the New Jersey citizen.

## AGRICULTURE

Agriculture and its kindred pursuits have always been a viable part of the State's economy. We are not improperly labelled "The Garden State." However, nonfarm growth and development in recent years have too often been at the expense of our priceless land heritage. Farmers in New Jersey are faced with many serious economic and other problems.

In an administration where quantity of growth is being carefully equated against quality of environment, the positive contributions of farms and forest in our total environment must not be lost or diluted. Open space and a pleasant farm countryside are basic assets which New Jersey should strive to preserve.

Agriculture has positive economic assets also. When viewed in the perspective of mercantile trade, New Jersey agriculture and the food processing industry generate \$1.5 billion in goods and services.

To protect the many benefits of agriculture for all of our people, I plan to instruct the Secretary of Agriculture to appoint a competent task force on agriculture, drawing on the versatile talents in all areas of this important field. The task force will be asked to study the present trends in New Jersey agriculture and to prepare a blue print for its future so that its permanence can be assured.

Our hardwood forests, primarily oak, continue to be threatened by the gypsy moth. Defoliation has increased from five acres in 1966 to approximately 130,000 acres during the summer of 1970. Severe tree mortality is beginning to be evident. Portions of the Newark Watershed in Passaic County will experience a 57 percent oak mortality, or approximately 1,000,000 trees destroyed this year, an economic and environmental loss of magnitude. Our biological and chemical integrated control program in cooperation with local municipalities and the Federal government in controlling the gypsy moth is sound financially, scientifically and ecologically.

New Jersey has been the leader in the nation in rearing and distributing biological parasites. The Department of Agriculture's integrated program using biological methods of control together with safe pesticides is commendable for gypsy moth suppression.

I also support research programs by our Federal government; particularly, the programs that are designed to eliminate the financial losses in our residential and recreational areas as well as timber sources.

### **CONFLICTS OF INTEREST, DISCLOSURE AND ELECTION LAW REVISION**

I am confident that in 1971 this Legislature will adopt the very meaningful conflicts of interest bill that is already before you.

This bill has been pending in the Senate Judiciary Committee since April 30, 1970, with no formal action taken. I have made my position on the bill clear to the legislature, and have stated that it should not be amended to provide any substantive exceptions.

The need for example to our youth is self evident; the need for confidence in our public officials is more essential today than ever before; the need for the Leaders of our State to give leadership in this all important field is compelling; the need for action is NOW!. I urge your support of this legislation.

It is also my intention to call for meaningful disclosure laws governing the activities of lobbyists in connection with the influencing of legislation. Legislation will be introduced which will strengthen the regulation and disclosure requirement of lobbyists.

The recommendations of the Election Law Revision Commission relative to contributions and expenditures in a political campaign are under review in my office. While I have not finalized my own conclusions on the entire report there is no doubt in my mind that corrective action must be undertaken by the Legislature to eliminate the many abuses that have existed in the application of campaign contributions. I expect to give my views to Legislature in the near future.

### **PROFESSIONAL AND OCCUPATIONAL LICENSING**

Last week, the Professional and Occupational Licensing Study Commission submitted its report concerning the 21 State licensing boards that regulate 42 professions and occupations having a total of more than 200,000 licensed practitioners.

These recommendations include:

- elimination of State licensing regulation in professions and occupations that do not directly affect the health, welfare or safety of the public;
- that education, experience, and examination rather than age, New Jersey residency or sponsorship be utilized as primary entrance requirements;
- that Boards be reconstituted with greater public representation;
- that enforcement and disciplinary powers be transferred from the Boards to the Attorney General; and
- that licensees be required to requalify at regular intervals.

These recommendations, in my judgment, chart a course of action which will assure the qualifications of practitioners, and will protect the public from vested interests. In all, the Commission recommends that only 11 of the 21 licensing boards, regulating 17 professions and occupations with a total of about 127,000 practitioners, be continued.

I strongly support these recommendations, and urge that the Legislature give them the most careful consideration.

## OUR JUDICIAL SYSTEM

We in this State are experiencing an era of great social unrest. No words of mine are required to remind you of this fact. The causes are complex, and not always immediately discernible. The effect has been a great disruption of our society. It has created a severe test for all agencies of government, particularly the judicial system.

Therefore, the challenge to and the responsibility of the judicial system is greater today than ever before in the history of our State or Nation. In order for the judicial system to meet this test in these troubled days, it is absolutely essential that our entire judicial system be modernized and mobilized to do so.

I am convinced that the judiciary of our State is equal to any in the United States of America. What then is the cause of our ever increasing backlog of cases in our courts, with its resultant delays, and what can be done to reverse this trend?

There are those who state that the case backlog is the result of our population explosion and the social unrest to which I have alluded. Undoubtedly this is true in part. There are those who insist the solution to the case backlog problem is the appointment of more judges. I, too, believe that an increase in the number of judges in certain areas may eliminate a portion of this persistent backlog. However, I do believe that the solution is far more complex.

The Judicial Article of the 1947 Constitution created a court system in this State which was unequaled at that time. The intervening years, however, have tarnished the brilliancy of the system. We must make changes in that system to reflect the changes which have occurred over the last 24 years.

Our court structure has not changed since 1948, with minor exceptions. It is imperative that we begin to modernize and update that court structure.

The initial step should be the abolishment of the County Courts and the incorporation of that court into the Superior Court. The jurisdiction of the County Courts is substantially the same as that of the Law Division of the Superior Court. There is an overlapping which is unnecessary and undesirable. This recommendation of consolidation of the two separate courts into a single constitutional court would create more flexibility within our court system, better efficiency and will provide greater economies.

Juvenile and domestic relations cases have increased at an alarming rate causing calendar congestion and attendant delay. The result has been detrimental to the welfare of the family unit across a broad spectrum from adoptions to divorce, and particularly in juvenile delinquency matters. Changes required in the procedures used in handling juvenile offenders, the expansion of the legal and constitutional rights of juveniles, has compounded the problem of court calendar congestion.

In order to prevent further erosion of family ties and provide for expeditious handling of all cases, consideration should be given to meaningful reform of the Juvenile and Domestic Relations Court into a form of family court with broad jurisdiction over the various aspects of family life.

A Family Court Study Commission was created in 1968 by the Legislature and an appropriation was made to this Commission by Chapter 257 of the Laws of 1970. Although no report has yet been forthcoming, I look forward to the Commission's recommendations. I will give my full support to meaningful and constructive proposals in this field.

As our court structure has remained static over the years, our criminal laws have developed in a patchwork fashion devoid of any systematic uniform approach. There has been no major revision of New Jersey statutory criminal laws in years. Time has made obsolete many of our criminal laws. Recognizing the existing inadequacies, the Legislature created the Criminal Law Revision Commission. This body will render its findings and recommendations in the first half of 1971. You can be assured that any sound recommendations advanced by this Commission for revision of our criminal statutes, trials, sentencing and rehabilitation will have my enthusiastic support.

Recently the U.S. Supreme Court has held that a 12-man jury in a criminal matter is not constitutionally required by our U.S. Constitution. Our State Constitution provides that the right of trial by jury shall remain inviolate. Presumably this refers to the common law jury of twelve.

It is my recommendation at this time, that a constitutional referendum be held to amend our Constitution permitting a 6-man jury, instead of a 12-man jury in all civil cases. In addition, a study should be undertaken of the possibility of implementing the recent federal decision in this State similarly reducing the number of jurors in certain types of criminal cases. I do believe such a change would in no

way adversely affect the quality of the verdicts which are rendered by a jury. On the other hand, it would expedite a trial, result in economies in manpower and facilities, and increase efficiency in the overall administration of justice.

As there may be merit in a reduction of the numbers of jurors required in a given case, I would also propose an increase in the fee for petit and grand jurors. At present the maximum permissible fee for jurors is \$5.00 per day. The resulting necessity of excusing otherwise eligible persons from jury duty on grounds of economic hardship makes it difficult, if not impossible, to impanel truly representative jurors. In my opinion, the per diem fee should be raised. To help defray the increased cost and to discourage the needless and indiscriminate demands for jury trials, the party demanding a jury trial should be required to pay a portion of the per diem cost of a jury. The amount paid can be included in the cost of suit. By this means a deserving increase to those persons who serve upon a jury would be granted, without substantially increasing the administrative costs of the courts.

The minor automobile negligence case, which ultimately results in a judgment or settlement under \$3,000, is a significant contributing factor to the backlog in the civil courts. The backlog is further compounded by increases in the number of cases and length of trial in criminal and other matters. Suggestions have been made to eliminate the automobile negligence case from the trial calendar by the initiation of programs such as "no-fault" insurance or by the assignment of automobile negligence cases to lay arbitrators or some form of standing master.

A commission has been appointed to study the concept of "no-fault" insurance and I await its report with an open mind. Although I am not committed to the support of the "no-fault" concept at this time, I am convinced that something has to be done. New approaches must be devised and implemented to change our present laborious court procedures as they relate to the processing of automobile negligence cases. Too many injured persons must wait too long for an uncertain remedy while enduring physical and financial injury.

Our Constitution is so structured that each of the branches of government has certain direct and indirect responsibilities in aspects of organization and operation of our judicial system. Other responsibilities mandated by the Constitution in this system are exclusively the prerogative of a specific branch. Thus, there is a

separation of responsibility as well as an interrelation of responsibility. Basically, each branch must perform with efficiency, perception and imagination if the system is to succeed. If one lags, the system suffers.

It is imperative to create a modern judicial system to cope with the essential realities of our day. Such a system must provide social justice to all of our citizens. Delay in dispensing justice cannot be tolerated. We in New Jersey have judges of high quality and a judicial structure whose foundation is strong and vibrant. It is the superstructure which needs uplifting and updating.

The suggestions I have made to you today are the initial steps which, in my judgment, should be undertaken to commence the modernization of our judicial system. I emphasize the word "initial" because additional improvements will be required in the future if we are to attain our goal.

Concurrent with these recommendations may I express the hope that the Judiciary will accelerate meaningful and innovative changes in the administration and procedures of the court. On other occasions I have brought to the attention of our Judiciary my views in relation to certain existing procedures which deter, in my judgment, settlements until the actual date of the trial. I trust that these recommendations will receive the considered attention of our Judiciary.

## CAPITAL PUNISHMENT

It is widely expected that some time within the next three months the United States Supreme Court will rule on the constitutionality of the use by states of the death penalty. Not having publicly stated my position before on this important subject, I feel that it behooves me now to anticipate a resolution of this matter by the court and to place my position on record.

It has now been more than six years since the New Jersey Commission to Study Capital Punishment recommended a retention of the death penalty. Since that time, no steps have been taken to implement the findings of the Commission and the moratorium on executions has been continued. I believe that developments during the past few months with respect to the experiences of states which either modified or totally abolished the death penalty, together with

the trend of recent court decisions, warrant a new, fresh look at this subject. For example, statistics that I have seen have led me to believe that capital punishment is not really the deterrent that many had thought it was. In fact, in those states where traditionally few individuals had been condemned to die, proportionately fewer individuals committed crimes of murder. On the other hand, statistics have shown that states with a high frequency of death sentences are among those which have the highest incidences of murders.

If there is legitimate doubt therefore as to the effectiveness of the death penalty as a deterrent, we must evaluate what our reasons are, if any, for retaining it. For philosophical and humanitarian reasons, I am generally opposed to the use of capital punishment. According to competent statistics the vast majority of homicides occur as crimes of passion, and in such cases it is highly unlikely that the existence of a death penalty would provide any deterrence.

What I feel that we must do, therefore, is to make a judgment as to the wisdom of retaining the death penalty in the State of New Jersey for certain limited crimes, which are clearly the result of cold-blooded premeditation, such as death resulting from bombing, kidnapping, killing of law enforcement officials, and similar heinous crimes. I intend, therefore, to appoint a committee to evaluate the events of the past few years, to study the recent experiences of our sister states and to recommend for legislative consideration those areas in which it may be desirable to retain the death penalty.

## CONCLUSION

And so my friends we come to the end of an exciting chapter, highlighting, I trust, the "Dare to Do" theme on which the Record Book of this Administration will ultimately be judged. Reforms in Criminal Justice, innovative and progressive approaches to Narcotics, dramatic improvements in relation to our environment with emphasis on the "Wetlands Bill", new approaches in education, a talented team of Legislative and Executive activists who believe in the old virtues of industry, integrity, fortitude, — these and others in this first chapter form the foundation upon which future chapters will be written. The second chapter which we begin today will, I think, be more an expansion of the first than a series of new ideas or new characters, but one which will, I hope, hold our citizens' attention and interest while

we await other exciting events to come. For now we must insure that all of the plans outlined, all of the programs suggested in this first chapter are carried out and made to work! Our efforts in this second year therefore will be expended not so much in the field of Legislation as that of Implementation! But in so doing we must not undermine or neglect the goal of this Administration, — to work for a continuing growth and progress, for an ever maturing State seeking always to maximize its potential, searching always for better solutions to universal problems which for generations have eluded us. And we must continue to follow the Star "no matter how hopeless — no matter how far". We must look to tomorrow with high hopes, firm faith, and confidence based on our convictions!

As we look back and as we reflect on our present Society and its problems we are naturally concerned, for throughout our country and in our own State today we observe discontent, discouragement, disagreement as to the course our Ship of State should take. On one hand we find dissidents, radicals, revolutionaries seeking to destroy the American system of government. On the other hand, we see those who would ignore dissatisfaction, discourage disagreement, deny dissent and who would follow the 'Course as Usual' of the past.

I disagree with both!

I am convinced that our system of government, — our federal system — is the best in the world and that it must be strengthened and preserved! But I am also dissatisfied, I am in disagreement and I do dissent. I am convinced our course must be changed, our priorities recast, our goals re-evaluated. Our Federal Government must recognize at once that the Sovereign States of this Nation can no longer supply the funds to meet the urgent and necessary needs of our citizens, our institutions, our cities! I repeat with emphasis based now on experience the words I spoke last January —

*"The Federal Government must accept the burdens or share the dollars."*

But, I believe too that Sovereign States must do their share; they must carry out their responsibilities in the Federal System. If we are to be partners, however, we must be permitted to participate in the decision making, in the establishment of priorities, in the distribution of the revenue received by the partnership. And we must at the same time demonstrate our individual responsibilities, we must raise to the extent possible our own revenues, we must govern wisely, lead our

people courageously, cooperate fully with our federal partner in a joint effort to make our State and our country more responsive to the needs, the aspirations, the dreams of our fellow Americans — our fellow Jerseyans!

We in New Jersey have much to make us proud, to encourage us to continue our struggle for excellence!

We in New Jersey have a unique opportunity in the coming year to set the example for our sister states and our nation to follow. We are beset with the same problems, faced with the same challenges, charged with the same responsibilities as most of our sister states. Let us together then attack the problems, meet courageously the challenges, carry out our responsibilities with intelligence, integrity, enthusiasm — so that when our course has been run, when the final chapter in our book has been written it can be said of us — They gave their very best!

“Before God’s footstool to confess  
A poor Soul knelt and bowed his head,  
‘I failed’, he wailed. The Master said,  
‘Thou did’s’t thy best — that is Success!’ ”

January 12, 1971