

S E C O N D P U B L I C H E A R I N G

before

WELFARE INVESTIGATING COMMITTEE OF THE NEW JERSEY
LEGISLATURE, CONSTITUTED UNDER SCR NO. 25 (1959)
AND RECONSTITUTED UNDER SCR 5 (1960)

Held:
January 5, 1961
City Hall
Paterson, New Jersey

MEMBER OF COMMITTEE PRESENT:

Senator Anthony J. Grossi (Chairman)

Also:

Grover C. Richman, Jr., Esq.

Counsel to the Committee

Joseph M. Harrison, Esq.

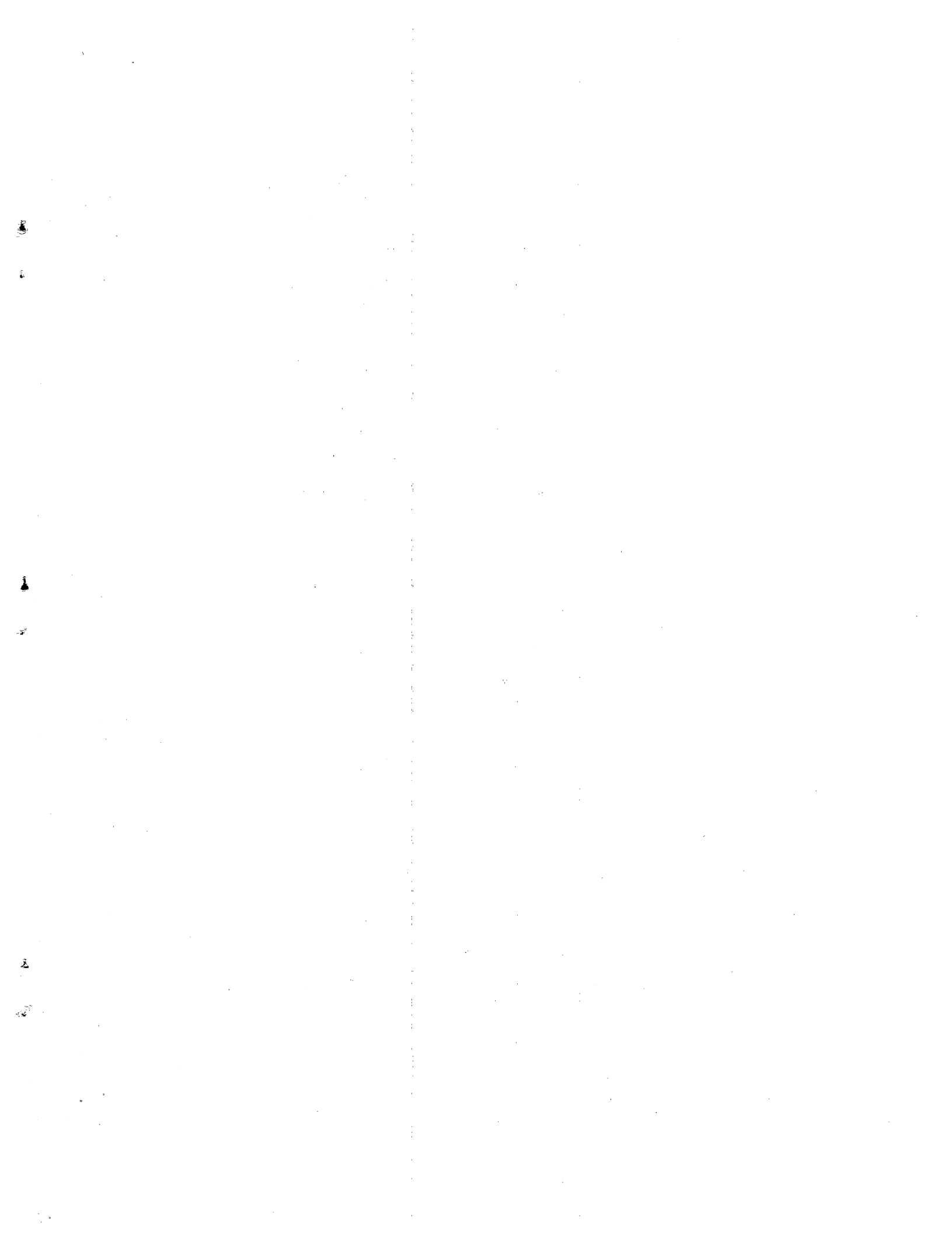
Special Counsel to the Committee

Leonard A. Coyle

Secretary

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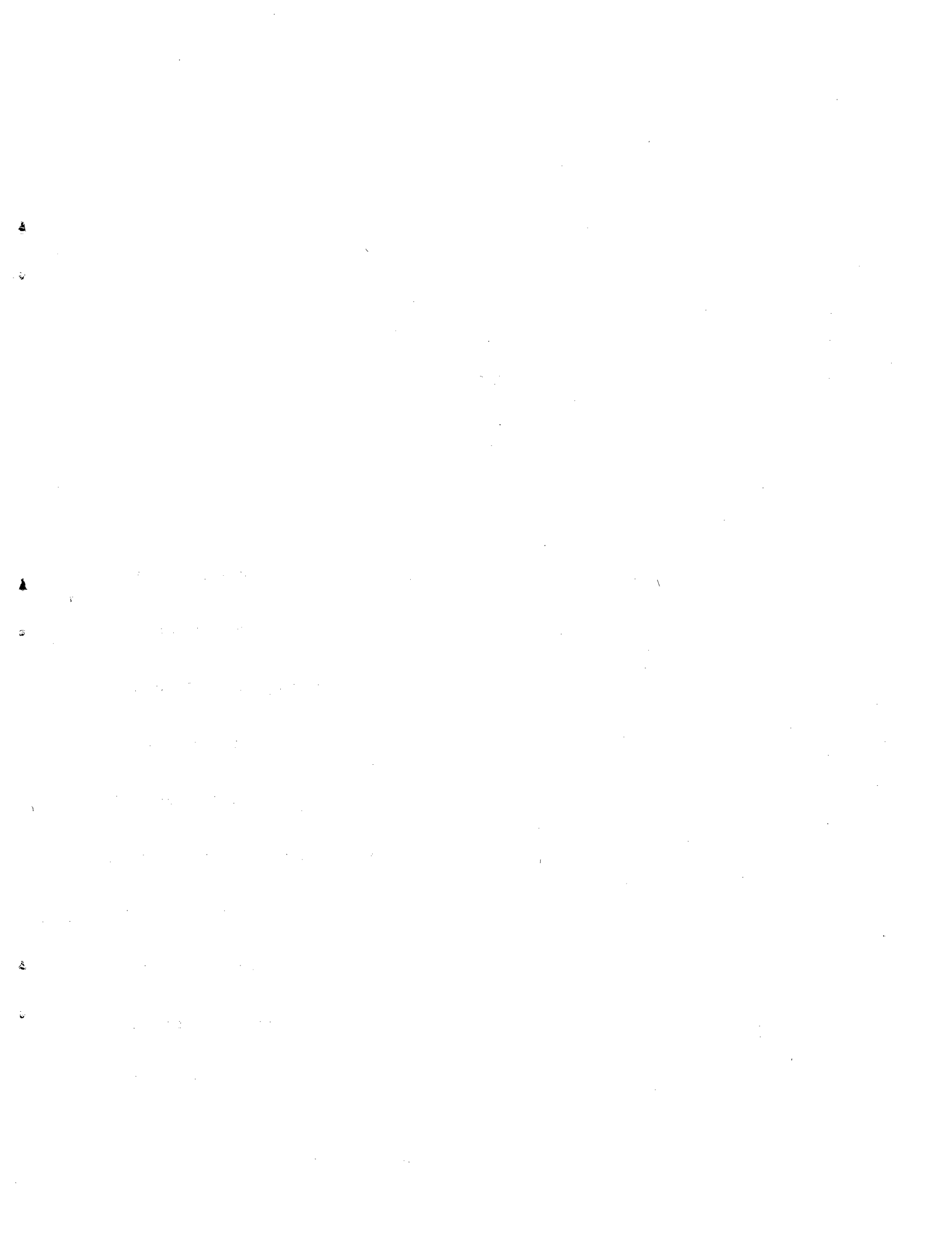
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SENATOR ANTHONY J. GROSSI (CHAIRMAN): This is a regularly-constituted legislative hearing of the Welfare Investigating Committee of the New Jersey Legislature and this is the first public hearing outside of Trenton, for the purpose of delving into the direct relief program so that the Legislature can make proper recommendations to the State of New Jersey for legislation that will cure some of the existing ills and also bring to the public attention the conditions that exist with respect to the expenditure of public money, taxpayers' money.

Our hearings heretofore have been confined to child welfare and it is hard to separate child welfare in many instances from direct relief. But we will try to confine our investigation at this particular time to the administration of direct relief.

Many witnesses have been summoned here today. I doubt very much that time is going to permit us to reach all of them. However, those who cannot be reached will be notified a little later by our Committee and they may hold themselves available for future hearings.

This part of the hearing this morning is a public hearing. This afternoon we will have a private hearing. Now the reason for a private hearing, in order that the public might understand, is that the private hearing delves into the illegitimate children problem, and for the purpose of protecting the innocent, the hearing would necessarily have to be private. But the Committee will have a general statement for the press at the conclusion of the private hearing.

On my left is former Attorney General Grover Richman, who is the counsel for the Committee, and on his left is Joseph M. Harrison, a former Assistant Prosecutor of Passaic County who is special counsel, and on his left is Mr. Leonard Coyle, Secretary to the Welfare Investigating Committee.

The Welfare Legislative Committee is a bi-partisan committee composed of three members of the Senate and three members of the Assembly on an equal political basis, three Democrats and three Republicans. The fellow members of this Committee are: Senator Stout of Monmouth County, who is unable to be here this morning; Senator Charles Sandman from Cape May, who also is unable to attend; from the Assembly is Mrs. Madaline Williams who recently resigned from the Assembly because of the fact that she was elected to public office in Essex County; Mr. Paul Salsburg from Atlantic County, who has recently been announced as a judicial appointee by Governor Meyner; and Mr. Maurice Brady of Hudson County who may be here later.

We have as our first witness today Lieutenant Edmond of the Prosecutor's staff. The attorney for the Committee has requested that we call him first. The witnesses will sit at this table directly in front of me, to my right. All witnesses will be sworn.

T H O M A S R. E D M O N D, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q You are Lieutenant Edmond? A That's right, sir.

Q What is your official position? A I am a

Lieutenant of Detectives in the Passaic County Prosecutor's Office.

Q And did you make an analysis for this Committee at the request of the Prosecutor of the various statistics on municipal relief in the County of Passaic? A I did.

Q I have just handed you a paper. Will you describe to us what that says? A This paper depicts the analysis we conducted of the different municipalities in Passaic County, namely, the towns and cities of Passaic County.

Q And it shows the cost to each municipality of relief during the year? A That's correct.

MR. RICHMAN: Will you mark that and I will offer that in evidence.

SENATOR GROSSI: That will be marked E-1.

(Received in evidence and marked Exhibit E-1.)

Q I am now handing you three pieces of paper. I ask you to describe to us what they show? A This is an analysis of the statistics of the Passaic County Welfare Department, namely, the Old Age Assistance Disbursements, the Disability Assistance Disbursements, and the Aid to Dependent Children Disbursements.

Q For the year? A 1960.

Q Can you give us the figures for each one?

A The total for the Old Age Assistance is \$1,423,634.63. For the Disability Assistance, the disbursements are \$566,257.46. For the Aid to Dependent Children, the total disbursements were \$1,888,686.94.

Q How many children are involved in that figure?

A That constitutes 2,946 children, which are from 1,072 families.

MR. RICHMAN: I will ask those papers be marked in evidence.

SENATOR GROSSI: Let them be marked E-2.

(Received in evidence and marked Exhibit E-2.)

Q I am handing you another piece of paper and ask that you tell us what that shows? A This is the statistics from the New Jersey State Board of Child Welfare, Passaic County jurisdiction, and this is broken down into three different categories, namely: foster homes, which constitutes 73 homes, in which they have 128 children; the boarding homes, with 57 children; children in institutions - 42 children - giving a total of 227 children. Seventy-six are illegitimate and eight were taken in by the Passaic County Board with less than six months residence in this jurisdiction. The total case log of the New Jersey State Welfare Board, Passaic County, is 381 children. One hundred and fifty-four of those children are children in categories such as adoption homes, free homes, homes with parents where only service of supervision is rendered. The 227 children are the children for which the Welfare Board is paying the support, and the amount of support per month per child is \$70. That was figured in the fiscal year up to June 30, 1960.

MR. RICHMAN: That's all. Thank you. Will you have that marked.

SENATOR GROSSI: Let that be marked E-3.

(Received in evidence and marked Exhibit E-3.)

MR. RICHMAN: Primitivo Lopez. (Mr. Lopez comes to the stand.)

Mr. Lopez, do you understand English?

MR. LOPEZ: A little bit, not much.

MR. RICHMAN: Suppose we have the interpreter then.

The following testimony was given through Achille Guerrero, who was sworn as Spanish Interpreter for the Committee:

MR. RICHMAN: Mr. Lopez, you have been called to testify before this Senate Committee and before you testify, I want you to understand that you are entitled to refuse to answer any question that you feel might tend to incriminate you. Do you understand that?

MR. LOPEZ: Yes, sir.

MR. RICHMAN: Do you further understand that to make that objection you must make it to the questions as they are put to you to each particular question if you do not want to answer because it would incriminate you? (Witness nods head "yes.")

P R I M I T I V O L O P E Z, called as a witness, being duly sworn, testified through Achille Guerrero, the Spanish Interpreter, as follows:

BY MR. RICHMAN:

Q Where do you live? A 58 Paterson Street.

Q How long have you lived there? A About two years.

Q Is that a first-floor apartment? A I lived on the second floor and now I moved to the first.

Q Are you on relief? A Yes.

Q How long have you been on relief? A About three years alternating - when I work, I am off; when I do not work, I receive the relief.

Q When is the last time you worked? A Last November.

Q Last November? A I assumed work on December 29th.

Q Who lives with you in this apartment? A My wife and the children.

Q How many children? A Six.

Q Six? A Six.

Q What are their ages? A The oldest is 10 years old; the smallest, seven months.

Q How much do you pay for this apartment or how much is paid for this apartment? A \$25 a week.

Q How many rooms in it? A Five rooms.

Q Five rooms. How many bedrooms? A Three bedrooms.

Q Do you own the furniture in the apartment? A No, sir.

Q Who owns the furniture? A The landlord.

Q What is your landlord's name? A Jack O'Brien.

Q Jack O'Brien? A Yes, sir.

Q Is it Adolph Jachts? A I think so.

Q Well, who is O'Brien? A The landlord.

Q Jachts alias O'Brien. A Yes, I think so.

Q Is Mr. Jachts in the room? (Man raises hand.) Stand up, will you, sir? (Man stands up.) Is that the man?

A Yes, sir.

Q Now, show the witness the first picture. What does that show? A Child's crib.

Q Is that one of the bedrooms? A A chair and child's crib.

Q Is that a bedroom? A Yes, sir.

Q Show him the next one. What room is that?

A That is the front room.

Q Show him the next one. What room is that?

A Kitchen.

Q Show him the next one. What room is that?

A This is not of my apartment.- this picture. I do not have a small baby carriage.

MR. RICHMAN: All right. I will offer the first three pictures in evidence.

SENATOR GROSSI: Let them be marked E-4, E-5 and E-6.

(Received in evidence and marked Exhibits E-4, E-5, and E-6.)

Q Who is Pedro Lopez? A My cousin.

Q Does he live there too? A No. He came for a few days until I found him an apartment.

Q He found him in the apartment? A He found his own apartment.

Q Oh, I see. He lived there for four weeks, didn't he?

A About four weeks, but he used to come and go to New York.

Q That was four weeks last December, wasn't it?

A Yes, sir.

Q Did he pay you any rent? A He used to help me. Sometimes he give me \$10 and I helped him besides.

Q He paid you \$54 for the time he was there, didn't he?

A About \$40.

Q Did you tell the relief people you had collected \$40 from Pedro?

A No, sir.

MR. RICHMAN: That's all.

BY SENATOR GROSSI:

Q Mr. Lopez, when did you come to the United States?

A August, 1953.

Q Where from? A Porto Rico.

Q What did you do in Porto Rico? A Labor.

Q Why did you come to America? A The conditions were bad over there and I came over here to work on a farm.

Q Did anybody in Porto Rico tell you to come to the United States so you could get on relief? A I did not know nothing about this when I came.

Q Where did you go to work when you came here?

A Pennsylvania.

Q How long were you in Pennsylvania? A Three months.

Q And then where did you go? A To Freehold, New Jersey.

Q And from there where did you go? A To Paterson.

Q You have been in Paterson since when? A Around November, 1953 - since November, 1953.

Q When was the first time you went on relief in Paterson? A Around 1957.

Q Between 1953 and 1957 did you work? A Yes, sir.

Q Where? A Universal Battery.

Q You have been on relief since 1957 continuously?

A No, because after, I went to work in a restaurant.

Q How long has it been since you last worked? How long has it been since you worked last?

A Since November, when on account of the cold weather the construction work ceased.

Q Have you tried to get a job since November?

A Yes, sir. I tried but I did not get it so I tried to get the relief.

Q When you work, how much do you make a week??

A When I work on construction I get one dollar and a half, but other work I get one dollar ten cents.

Q How much relief do you get from the Relief Department in Paterson? A \$35.70.

Q Thirty-five dollars and seventy cents a week.

Out of this money do you pay your own rent? A No, I am paying the rent with the unemployment, with the money I receive from the unemployment.

Q In other words, the \$35.70 a week is supplementary relief? A Yes, sir.

Q Is your rent paid up to date? A I have to pay next Friday - tomorrow.

Q Do you owe any grocery bills? A No, sir.

SENATOR GROSSI: That's all.

MR. RICHMAN: That's all.

(Witness excused.)

Pedro Lopez. (Mr. Lopez comes to the stand.)

Do you understand English?

MR. LOPEZ: I understand everything, but I have a little difficulty in answering.

MR. RICHMAN: Do you understand that this is a hearing of a Legislative Committee, and that you are called here to testify?

MR. LOPEZ: (Through interpreter) I understand.

MR. RICHMAN: Do you understand that you have a constitutional right to refuse to answer any question that might incriminate you?

MR. LOPEZ: (Through interpreter) Sure.

P E D R O R I O S L O P E Z, called as a witness, being duly sworn, testified through Achille Guerrera, the Spanish Interpreter, as follows:

BY MR. RICHMAN:

Q Where do you live? A Now I live at 91 Hamilton Avenue.

Q Is your full name Pedro Rios Lopez? A Yes, sir.

Q Are you married? A Yes, sir.

Q Are you sure about that? A I live with a woman.

Q Do you have any children? A Four children in Porto Rico.

Q Are they all in Porto Rico? A Yes, sir.

Q Do you have any children here? A No, sir.

Q Did you and your wife or this lady that you live with - did you live with Mr. Lopez who just testified? A I stayed there four weeks until I found an apartment.

Q And did this woman stay there with you? A Yes, sir.

Q So that you and this lady and the other Lopez and his wife and six children all lived in this place? A Yes, sir.

Q And how much rent did you pay? A I did not pay any rent; I only gratified him. I gratified him.

Q How much did you gratify him with? A To help him, I used to give him \$10 a week.

Q Forty dollars? A Yes, sir.

MR. RICHMAN: That's all.

(Witness excused.)

MR. RICHMAN: Mr. Jachts. (Mr. Jachts comes to the stand.) Mr. Jachts, you have been called here to testify before this Legislative Committee. Do you understand you have a right to refuse to answer any questions that might tend to incriminate you?

MR. JACHTS: Yes, sir.

A D O L P H J A C H T S, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q What is your full name, sir? A Adolph Jachts.

Q That is J-A-C-H-T-S? A Yes, sir.

Q Where do you live? A 35 Michael Drive, Wayne.

Q Do you own the property at 58 Paterson Street in Paterson? A Yes, sir.

Q How long have you owned that property? A Approximately ten years.

Q What are the annual taxes that you pay on that property? A \$287.

Q What is the condition of the property? A It is in

poor condition.

Q Very poor condition, isn't it? A I don't say very poor condition, but it is in pretty bad shape.

Q Do you own the furniture in the apartments?

A What's left of it.

Q What would you value the furniture that is in the Lopez apartment? What's that worth? A Not very much.

Q Ten or fifteen dollars? A Oh, I'd say more than that, maybe.

Q How much? A Maybe \$50 or \$100.

Q Would it surprise you to know that it has been appraised by a second-hand dealer at \$14? A It would surprise me, yes.

Q How much rent did you collect last year from this property at 58 Paterson Street? A How much rent did I collect?

Q Yes. A I can't give you an honest figure off the bat like that.

Q Give me your best recollection? A I'd say roughly around \$1500 or \$1700.

Q How many apartments are in this building? A Just two.

Q And you rent the first floor apartment for how much per month? A \$25 per week, not per month.

Q Twenty-five dollars per week? A Right.

Q How about the second floor apartment? A \$100 a month.

Q So that your monthly income is \$200 a month?

A It would be if I were paid regularly, yes.

Q Up to two months ago you got \$35 a week for this first floor apartment, didn't you? A Pardon me?

Q Up until two months ago you got \$35 a week for this first floor apartment, did you not? A Not two months ago. It was further back than that. That is when I paid all the utilities and everything.

Q When was that? A I'd say that's going back maybe three to four months.

Q With the rental that you now collect, this \$25 a week, don't you pay any utilities? A I pay for the fuel and for the continuous hot water and Mr. Lopez pays the gas and electric.

Q How much have you spent on that property in the last year by way of maintenance or repair? A In the neighborhood of about \$500.

Q And your taxes are about \$200 you say? A Yes.

Q You spent \$500 on the building? A Yes, sir.

Q What did you spend it for? A About \$280 for new copper plumbing that went into the place. I have bought new mattresses for both the upstairs and downstairs. I had a new lavatory put in on the first floor. I had work done on the furnace and replaced broken windows and so forth which have since been broken again. I had the yard cleaned out. The debris was all carted away by truckmen, and other general maintenance around the area, replacing jalousies and so forth.

Q When did you acquire this property? A When?

Q When did you buy this property? A My mother owned this property prior to that and when she became quite old, she turned it over to me.

Q When was that? A About ten years ago.

Q You have been renting it ever since? A No, my mother lived there at one time.

Q How long have you been renting it? A I have to guess again. I would say in the neighborhood of about four years.

Q Do you own any other property that you rent? A Not that I rent, no, sir.

Q This is the only property that you rent? A That I rent, yes. Pardon me; I'm sorry. I do own a piece of property with my brother on Market Street, but I have nothing to do with that as far as taking care of any rentals or any receipts or anything else.

Q I take it then that your income from this property has been, as you testified, about \$1500 or \$1600 a year?

A That's right, sir. May I insert something here?

Q Sure. A There was another family living downstairs. You questioned me about the \$35 a week. These people are indebted to me to close to \$300. The furniture that was there these people have, I would say, 70 per cent destroyed and I have been trying to get reimbursed for it. I did go to small claims court and they told me with his wages and so forth ---

Q Most of your tenants are on relief, aren't they?

A Just the ones on the first floor. When Mr. Lopez lived upstairs, the first-floor tenant was on relief.

BY SENATOR GROSSI:

Q Mr. Jachts, the tenant prior to Mr. Lopez was Alia Terson, is that true? A Yes.

Q Alia Terson was also on municipal relief? A From time to time, not steadily.

Q Mrs. Terson paid you \$35 a week? A Yes, sir.

Q Why did you drop it to \$25 a week when Mr. Lopez came in? A I dropped it before that.

Q You dropped it to Mrs. Terson too? A Yes, sir.

Q Why did you drop it from \$35 to \$25? A She was going to work and said she couldn't pay it. I said "All right, can you afford to pay \$25," because the gas and electric was running quite fabulous. It was running \$14 and \$15 a month and that is pretty heavy gas and electric bill. So I said O.K., but even at this rate Mrs. Terson could never pay.

Q When you say you supply fuel, what do you mean by fuel? A Oil for steam heat.

Q Oil for steam heat for both apartments up and down? A Yes, sir.

Q When you began to rent these apartments when you first took over the property, what was the rental? A What was it at that time?

Q Yes. A Just about the same as it is now.

Q You mean you charged a per weekly rate --- A At that time, yes.

Q -- ten years ago? A No, I'm sorry. I didn't say ten years ago. I hadn't started renting it.

Q Well, you said you took the property over ten

years ago. A That's right, but I did not start renting it at that time.

Q There were two apartments in the building? A Yes.

Q One was occupied, you say, by your mother?

A Yes.

Q Who was the other occupant? A There was a family living upstairs at the time; they paid on a monthly basis.

Q How much did they pay? A They paid about \$80 a month.

Q \$80 a month. An investigation reveals here there are three rooms. It has a kitchen that is approximately 10 feet by 8 feet, a parlor approximately 12 feet by 9 feet, and a bedroom approximately 10 feet by 8 feet and another bedroom 8 by 8. Is that about the size of those rooms? A You are talking about the second floor or first floor?

Q I am talking now about the first floor. A On the first floor the kitchen is in the neighborhood of about 12 feet square. There is a dining room and a living room that is converted into a bedroom, not by me. Then there is a little sun parlor and there is a large bedroom on the side which is roughly 10 by 14, maybe by 16, and another bedroom in the rear.

Q You talk about a sun parlor. A I am using an old term. I should say a converted porch.

Q There are four rooms in this first-floor apartment. A One, two, three, four, five, and if you want to call that converted room another room, it is six.

Q Well now, there is a kitchen. A -- rear bedroom.

Q -- rear bedroom. A -- dining room.

Q Dining room? A Yes. A large front room, which is a converted parlor to a bedroom now; a large bedroom off the side to that. Then there is a converted porch, this small room.

Q So that is five rooms? A Right.

SENATOR GROSSI: Thank you, sir.

(Witness excused.)

MR. RICHMAN: Detective Di Simone.

V I N C E N T J. D I S I M O N E, J R., called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q What is your full name? A Vincent J. DiSimone, Jr.

Q What is your position? A County Detective, County of Passaic.

Q In the Prosecutor's Office? A Yes, sir.

Q How long have you held that position? A The past seven years, sir.

Q Now, in your capacity as a Detective, did you investigate the premises known as 44 1/2 Essex Street, Paterson? A I did, sir.

Q And do you know Ida Galloway who is a tenant residing there? A Yes, sir.

Q Will you tell us the results of your investigation

and any conversations you had with Mrs. Galloway? A Yes, sir.

Q -- and describe the property to us, the rented portion of it? A On December 27th I, with Identification Officer Davenport from the Passaic County Identification Bureau, visited the premises at 44 1/2 Essex Street. In the first floor rear there was an apartment with one entrance which faces the yard, the rear yard. As you enter the apartment, you enter a kitchen approximately 8 by 8. Connected to this kitchen are two small bedrooms, one approximately 8 by 8 and the other one approximately 6 by 8.

We interrogated Ida Galloway who was in bed at the time and stated she was ill, and she stated that she paid \$60 a month rent, without utilities or heat.

Q Who else lived there? A Her grandchild, I believe it was - it was a small child - and she and this small child, a boy approximately ten years old, who was presently residing with her.

Q What was the condition of the inside of the apartment? A It was in an extremely over-crowded, filthy condition. The kitchen -- incidentally, we took photographs of this apartment, which I believe you have in your possession. The kitchen was completely over-crowded. There was a gas burner that supplied the heat. The walls were in a state of disrepair. There was no covering on the floor. It appeared it hadn't been painted in many, many years. Adjoining that, separated by an archway, were these two bedrooms. The one bedroom was cluttered up with furniture so that there was only about a three-foot space running

down the center of the room. There was a sofa and, I believe, two easy chairs, a television set. And in the other room, which was in the same condition, there was a bed and two or three other articles of furniture, including a chifferobe and a dresser and the like.

Q Now we are handing to you certain photographs. Can you identify those photographs as you look at them?

A Yes, sir. This first photograph --

Q Let's call that one E-7. Go ahead, sir. A The first photograph would be the rear entrance of 44 1/2 Essex Street. It is the only door - it appears on the right side of this photograph - that enters into this apartment, the only means of entrance or exit.

(Another photograph shown witness.)

SENATOR GROSSI: E-8.

(Witness continuing) E-8 portrays a front view of the building at 44 Essex Street. Incidentally, this rear entrance was known in so far as the Paterson Welfare reports as 44 1/2, but I really believe this property is 44 Essex Street.

Q E-9. (Another photograph shown witness.) A E-9 is a closeup of the rear door and two windows in the rear of 44 Essex Street, portraying the Galloway apartment.

Q E-10. (Another photograph shown witness.)

A E-10 is a photograph of the kitchen, showing the gas range which furnishes the heat, a sink, a refrigerator and a table. This is looking from the small bedroom toward the far wall of the kitchen.

Q E-11. (Another photograph shown witness.)

A E-11 portrays the smaller bedroom, which is in the rear of the house that I previously mentioned only had two or three feet separation between the furniture. It was over-crowded. It portrays the sofa, an easy chair, television and a number of cardboard cartons.

Q E-12 (Another photograph shown witness.) A E-12

is a photograph showing another section of the kitchen from the rear of the kitchen looking out toward the back door.

Q And E-13. (Another photograph shown witness.)

A E-13 is another part of the kitchen, looking in from the back door toward the rear of the kitchen, and showing the door leading to the bathroom.

Q What was the condition of the plumbing in this apartment? A It was in very poor condition.

Q Was it workable? A At that time Mrs. Galloway told me the bathroom did not work and there was, if I remember correctly, a leak in the basin and she had a small hand basin in the back of the bedroom.

Q In your opinion, Detective, is this apartment fit for human habitation? A Definitely not.

Q Three rooms is the total, right? A That's right.

Q Now the property designated as 44 Essex Street is part of this same building, is it not? A Yes, sir.

Q In other words, 44 1/2 - what we call 44 1/2 - is the rear first-floor portion of 44 Essex Street. A Yes, sir.

Q Now did you investigate the property at 44 Essex Street, the whole property, that is? A Yes, sir.

Q What does that consist of? A As you enter the front door, you find a three-room apartment, which I would call the first-floor front.

Q And who rents that? A That is rented by a Gloria Miller who resided within the premises with her child.

Q Do you know what she paid for rent? A Yes, sir, \$20 weekly, excluding heat and utilities.

Q Is that a furnished or an unfurnished apartment? A Unfurnished.

Q What is the condition of that apartment? A This was in a poor condition; it wasn't anywhere near as bad as the Galloway apartment. But the walls were in a state of disrepair, filthy. However, this had very little furniture in it as compared with the Galloway apartment.

Q Incidentally, Mrs. Galloway was on relief, wasn't she? A Yes.

Q -- and had been for some time? A Yes.

Q How about Gloria Miller? A No, sir. Gloria Miller was not on relief.

Q Now the second-floor front, what does that consist of? A The second floor front was likewise a three-room apartment. However, at the time of my visit this apartment was vacant.

Q Were you able to find out what the asking rental for that was? A There was a gentleman present when I visited these premises who identified himself as a caretaker and I asked him what they were asking for rent, and he stated \$15 a week.

Q How about the second floor rear? A The second

floor rear is occupied by Garfield Daniels, his wife and three small children.

Q What does that consist of? A This consisted - the one portion of it was identical to the Galloway apartment. However, as you went to the rear kitchen, you entered a long, narrow bedroom. Therefore, it consisted of four rooms: a kitchen and three bedrooms. This bedroom I would approximate was 12 by 6 feet.

Q What was the condition of that apartment?
A This was likewise in poor condition, but then again it wasn't anywhere near as bad as the Galloway apartment. The walls were in a state of disrepair and Mrs. Daniels stated that the bathroom wasn't working. Incidentally, as a followup on these, an inspection was made by a team from the Board of Health as recently as yesterday on these apartments.

Q How much does Mr. Daniels pay? A Mrs. Daniels pays \$18 weekly.

Q Is that without utilities? A No, excluding utilities and heat, and it was an unfurnished apartment.

Q In other words, leaving out the vacant apartment at \$15 a week, the annual total rental would be for the first floor front, \$1040, is that right? A Yes, sir.

Q For the first floor rear, \$720? A Yes, sir.

Q For the second floor rear \$936? A Yes, sir.

Q Or a total annual rental for those three apartments, leaving out the vacant one, of \$2696. A Yes, sir.

Q Now, counting in the vacant apartment, it would amount approximately to an annual rental of \$3476; is that correct?

A Yes, sir.

Q Did you check what the taxes are on that property?

A Yes, sir, I did.

Q Can you give us the assessed valuation and the taxes?

A Well, I was unable to obtain the assessed valuation of 44 Essex Street alone. That is included in a package which encompasses four lots, from 42 to 48 Essex Street.

Q Are there houses on all those lots? A Yes, sir.

There is a house a little larger than 44 at 42, a little higher, and at 46 and 48 there is a three-story - I believe it is four or six apartments - but it is a much larger home at that address. The only information I could receive was the over-all valuation.

Q For the whole four properties? A Yes, sir.

Q What was that? A For the four lots the land was valued at \$3900 and the buildings at \$5000 for a total of \$8900.

Q What were the total taxes paid on all four properties?

A The total taxes for the four properties is \$781.42.

Q Who is the owner of these properties? A The

owner of this property is Mr. Isadore Dorman. I understand he trades as the Hilldor Realty Company.

BY SENATOR GROSSI:

Q Mr. Di Simone, the rentals that you just described for the Committee affect only 44 1/2 Essex Street, is that true?

A Well, I would call it 44 Essex Street.

Q Is that front or rear? A It is front and rear.

In other words, it is a house that has two apartments in the front, two small apartments, and two small apartments in the rear.

Q And then in addition to this particular apartment, that is, front and rear, there are how many other buildings on this 42 to 48? A Two buildings, one covering 42 and one covering 46 and 48.

MR. RICHMAN: Thank you, sir.

(Photographs shown the witness received in evidence and marked Exhibits E-7 through E-13, respectively.)

(Witness excused.)

MR. RICHMAN: Mr. Dorman. (Mr. Dorman comes to the witness stand.)

Mr. Dorman, you have been called here to testify before this Legislative Committee. I note that you are represented by counsel, is that correct? You have a lawyer with you.

MR. DORMAN: Yes, sir.

MR. RICHMAN: And what is his name?

MR. SALTZMAN: Edward H. Saltzman.

MR. RICHMAN: You are appearing for Mr. Dorman.

MR. SALTZMAN: That's correct.

MR. RICHMAN: I assume, Mr. Dorman, that you have already been advised that you have the right to refuse to answer any question that might tend to incriminate you. Do you understand that? I can't hear you.

MR. SALTZMAN: I might state - he understands that - but I might state in getting the subpoena, which he got the other day, there was nothing to indicate the bringing of records. All records are

kept intact and to date and they are at the disposal of this Committee.

MR. RICHMAN: All right, thank you.

I S A D O R E D O R M A N, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q Mr. Dorman, what is your full name? A Full name is Isadore Dorman.

Q Where do you live? A 641 14th Avenue.

Q In Paterson? A Yes, sir.

Q What's your business? A Real estate.

Q Do you trade under any corporate name or any name other than Dorman? A The names of the real estate?

Q Yes. Do you have a company? A Yes, it's incorporated.

Q What's the name of it? A We have Mendor Realty and Trio Realty and Hildor Realty Company.

Q You are the owner of all those corporations? A Yes, sir.

Q They own various properties in the City of Paterson? A Only downtown, yes.

Q What kind of properties do you own? A Well, I bought those properties - they were all demolished - no facilities at all - no improvements - no toilets - and I bought them reasonable.

Q Are you talking about 44 to 48 Essex or 42 to 48? A Yes, sir.

Q How much did you pay for them? A Offhand I don't

remember, something around \$10,000, a little less, I think.

Q For all of them? A Not all of them there, but some of them there.

Q What do you mean by that? A I mean I got some more - bought them separately over there.

Q You got some more for the same \$10,000?

A No, only for those. I paid around \$10,000 for 44, 46 and 42.

Q And 48. A 48 - 46 and 42 and 44.

Q What I am trying to get at, Mr. Dorman, is, aside from these properties, do you own other properties in the City of Paterson that you rent for dwelling purposes? A Yes, sir, I have other properties.

Q How many? A I can't remember how many. All around I have about 10 or 12 or 15 properties.

Q Well, you have a pretty good idea how many properties you own. A I could give you exactly if you want the numbers and so forth.

Q Not more than fifteen? A It might be more if you count them up. Some I sold.

Q What is the condition of this property at 44 Essex Street? A 44 Essex Street is in A-1 condition. A year ago we had everything rebuilt - rechecked by the Board of Health of the City Hall, by the Fire Department, everyone. In the Board of Health they all O.K.'d it. Whatever wasn't just so, they made me do it and I done it. Then they gave me papers and I could rent them out.

Q Now you get a total rental from this property at 44 Essex Street of approximately \$3400 a year, don't you? A I

don't know offhand how much I get because there is a lot of them vacant and a lot of them rented; they don't pay their rent and we have to make them move. We lose rent. In most of them we lose rent two or three months and we have to throw them out and we don't get the rent.

Q How much did you take in last year from 44 Essex, gross rental? A I have books that show every dollar, but I don't have them with me.

Q Give me your best recollection. A If I say, I wouldn't say the truth. I am here to say the truth and I don't remember. I have proof in my books.

Q Would you say around \$2500 would be a reasonable figure? A I really got to have figures.

Q But you do assure this Committee that this property is in A-1 condition? A Now? Every one is. If it isn't, we are there to fix it. If we are notified, we go there and fix it. We are there every week, twice a week, three times a week. And if there is anything wrong, we fix it.

Q You are familiar with the apartment that Mrs. Galloway occupies, aren't you? A Yes, sir.

Q That's the one in the rear. A Yes.

Q Would you say that is in A-1 condition? A When she moved in, it was in A-1 condition. It was clean. She come in with the Welfare's approval and the Welfare sent an inspector to inspect it to see whether she could move in or not. And the Welfare inspector O.K.'d it and everything was in A-1 condition.

Q How long has she lived there? A Offhand, I don't know exactly - about six months or so.

Q Well, what is the condition today? A Well, if you walk in, you would say it's like a pig-pen house inside, the way they keep their things. There's all kinds of furniture, all kinds of wrecks all over and other things. She has friends come in there, bringing them in and then they bring them to sell to the junk yards and they store it there. When we tell them anything, they say "It ain't your business - we pay your rent - good-bye."

Q Is the plumbing in good condition? A The plumbing is in A-1 -- when we fix it like today, if you come back a week later - you see they get drunk and they come in and their friends - they're drunk. They might rip the inside of the closet where it works, a minor thing. We fix it. Maybe a week later, the same thing happens again, but we always fix it.

Q This building of yours has been under investigation by the Department of Health for almost two years, hasn't it?

A The what?

Q This building has been under investigation by the Department of Health for almost two years, hasn't it? A Yes, maybe more than two years.

Q How many times have you been told to fix it up?

A They won't let me rent it and I won't rent it unless it is fixed up.

Q How many times have you been told by the Department of Health -- A Over there?

Q Yes. A Well, since they gave me orders, but only once they gave me orders.

Q Only once? A Only once. Once the last time they wanted to have it fixed.

Q When was the last time? A Last year.

Q When? A I don't remember when.

Q You mean 1960? A No, maybe early 1960 or late 1959, because I don't do it right away. If I have a vacancy and I don't have time to do it, I leave it until I fix it up and then I try to rent it.

Q Is that the only time the Department of Health asked you to fix up this property? A What?

Q Is that the only time the Department of Health asked you to fix up this property? A That's the only time they told me to fix it up. I couldn't rent it otherwise.

Q Let's make sure about this. That's the only time anybody from the Department of Health asked you to do anything about this property? A No, it isn't. Every week sometimes he tells me; every now and then he comes in and says "I want this should be cleaned a little bit better" or something like that and we do it, like the yard or something like that, sure.

Q I am going to show you some photographs marked E-7 through E-17 and ask you to look at them. (Witness looks at photographs.) A That's the rear.

Q Look at all of them. A This is the rear part. That's the front.

Q Just look at the pictures. I haven't asked you any questions. A This is where Mrs. Galloway lives and all the wrecks.

Q I didn't ask you any questions. Just look at the pictures, all of them.

A O.K. That's her furniture.

Q Have you looked at all of the pictures? A Yes.

Q Do you recognize them as being photographs of 44 Essex Street? A Yes, sir.

Q And do they fairly show what it looks like there?

A Well, not everything. It shows here furniture, which I have nothing to do with, and here it shows all closed up, just two rooms here, bedrooms.

Q Would you now say, after looking at those photographs, that 44 Essex Street is in A-1 condition? A The plumbing was in A-1 condition - the walls, in A-1 condition - and also the paint was in A-1 condition. Now it is dirty. I don't say no. In one week's time they dirty up the place.

Q Would it surprise you to know, Mr. Dorman, that as of January 4, 1961, the Department of Health made an inspection of 44 Essex Street and found 16 separate, substantial violations of the Health Code? A 1960.

Q January the 4th, yesterday. A I was not notified by anybody and I don't know of any violations. I wouldn't know of any violations. If I would know, I go down and fix them. I was there before yesterday and in the bathroom the things were pulled out, these little wires, and we replaced them.

Q Let me read you what the Department of Health found and see if you agree with this. (Reading) "Improper ventilation of the toilet, exhaust fan broken." First floor front, this was. "Flush box on the toilet leaking. Bedroom ceiling plaster

cracked. Broken window pane in bedroom. Paint peeling in the ceiling of the living room. First floor rear: "Sidewalls and toilet broken and dirty. Improper ventilation in toilet. Exhaust fan broken. Floor underneath bathtub faucets was broken. Ceiling and side walls dirty in kitchen. Plaster behind kitchen coal stove peeling. Defective grate in coal stove. Chimney flue loose, creating fire hazard. Defective hot water faucet in kitchen." Second floor rear: "Defective flush box in toilet. Trap on basin and toilet leaking. Premises completely infested with roaches."

Now, do you still say it is in A-1 condition?

A We have an exterminator who goes there and takes care of the roaches and rats. They never complain about it. And about the painting, it was A-1 when she moved in. She is only there six months and I went there the other day and I have never seen anything - seen any ceiling broken. The only thing that I saw was the bathroom wasn't flushing right.

Q What was the other day? What do you mean by the other day? A Before yesterday.

Q The day before yesterday? A Yes.

Q So that all of these things must have happened between the time you were there and Wednesday. A I only go there when they tell me something is wrong. They told me something was wrong and I went in there.

Q In other words, all the things I just read to you must have happened sometime after you were there on Tuesday until the department got there yesterday? A The Board of Health man never gave me any notice that anything was wrong and I don't

know unless somebody tells me. I can't go into their apartment and check every day because I have no right. They'll throw me out.

Q You did check on Tuesday. A Because they told me - they told me something is wrong and I went there.

Q When you checked on Tuesday, did you find anything wrong at all? A Yes. We fixed it, I'm saying.

Q What did you find wrong? A The flush box in the toilet. The toilet was taken care of.

Q Which apartment? A Mrs. Galloway's. But any others, I wasn't told anything was wrong.

Q I am not asking you whether you were told; didn't you see anything else wrong? A I didn't go - I don't go into the others unless they tell me.

Q You didn't see anything else wrong in Mrs. Galloway's apartment? A In Mrs. Galloway's I found that the flush box was out of order, the wires was not right, so we put it back; and the bathtub - we found a sock, a little child's sock, right in the trap, took it apart and pulled it out and it worked all right.

Q What do you mean by A-1 condition? A Well, if it's in working condition and it's the way the Board of Health and the Plumbing Department and everyone accepted it. They told me which way they wanted it. The plumber is a licensed plumber and he gets a permit to do the work and it's done according to it.

Q Will you furnish to this Committee a complete breakdown of your expenses and receipts with respect to 44 Essex Street?

MR. SALTZMAN: We will submit that, sir.

MR. RICHMAN: Submit that for the year 1960.

MR. SALTZMAN: We also will furnish the Committee with - as I understand - I am basing this on hearsay, Mr. Richman - with the number of instances that we have gone to court in order to evict these people because of the manner in which they are living.

MR. RICHMAN: All right.

Q You own a property at 100 River Street in Paterson, don't you? A Yes, sir.

Q Who rents that property? Who is your tenant?
A I have there now four tenants.

Q Four tenants? A Yes. One moved in yesterday would be five.

Q Do you have four apartments? A Six apartments, but four was rented last month.

Q Do you rent one to a James Taylor? A Yes, sir.

Q How much does he pay you a week? A I charge him \$25.

Q How long has he been there? A How long?

Q Yes. A Offhand I don't remember whether it is a year more or less. I don't remember.

Q And you get \$25 a week from Mr. Taylor for the third floor right apartment? A Yes, sir.

Q And that is without utilities? A Without heat, yes, sir, nothing furnished.

Q Now how much do you get for the other apartments?
A Some \$20.

Q \$20 a week? A Yes. Some \$25.

Q Do you know what your total weekly income is from that building? A I have it in the books.

Q Well, suppose they were all rented, what would it be? A If they were all rented, what would we collect?

Q If they were all rented. A If I get \$20, it would be six times \$20 and that would be \$120 a week.

Q \$120 a week. A Yes. If it's \$25, it would be more. But I don't collect that much.

Q You have two stores downstairs. A Yes. They haven't been rented yet.

Q According to our information - and you can correct me if I am wrong - the second floor right apartment is \$25 weekly, the second floor left is \$25 weekly -- A Yes.

Q -- the third floor right is \$25 weekly and the fourth right is \$88 a month. A Well, \$20 a week would be \$88 a month.

Q Maybe it would be, but I don't think it is. A Something like that.

Q So that your annual income from these four apartments that I have mentioned in this property is approximately \$4956 a year, is that right? A Whatever it is. Every penny I collect I have it registered - I have it in my books. What I don't collect, I haven't got it. They owe me \$100 or \$200 almost every one.

Q How much did you pay for 100 River Street? A How much I pay?

Q Yes. A I don't remember. Something around

\$8,000 for the building, but I had to put in about 20 or 22 thousand dollars to fix it up. I put all new plumbing and everything else.

Q How long have you owned it? A I don't remember - about two years. But I had it empty about two years or so.

Q Will you give us a complete analysis and breakdown of your receipts and expenses so far as 100 River Street is concerned for the year 1960?

MR. SALTZMAN: Yes.

MR. RICHMAN: Mr. Coyle, will you show the witness the pictures you have in your hand, and the first one would be E-14. (Shows witness photographs.)

Q I just want you to look at these pictures, Mr. Dorman. A You mean that is 100 River Street?

Q Just look at the pictures and then I'll ask you some questions about them. You have looked at those pictures, have you, Mr. Dorman? A Have I what?

Q You have looked at those pictures? A I've looked at the pictures, yes.

Q And do they fairly show parts of 100 River Street? A The house shows 100 River Street. The hallway doesn't show here how it is. Two or three doors they broke. Each time we fix them, they break them.

Q Tell us in your opinion what is the condition of 100 River Street? A The condition?

Q Yes. A The plumbing is in A-1 condition and every week we have to be there to fix something because something

goes out of order or they put it out of order.

Q Are the windows all in place and everything?

A The windows was in there. I don't know now what's happened. I haven't been told there was anything wrong.

Q Take a look at E-17. It looks to me like the window is closed up with cardboard. Isn't that right? A You mean the glass would be broken.

Q There isn't any glass there; it's cardboard.

A We put in glasses whenever it's broke and they keep on breaking them so much, they're actually afraid to tell me - I don't know what reason - they know they are guilty.

Q You mean they pay you \$25 a week for this apartment and they are ashamed to tell you when a window is broken?

A Yes, so often they break them - not only windows, the doors.

Q Look at that cardboard in that window. A They put it in, not me.

Q You didn't put it in? A No, I haven't been told to put it in.

Q In other words, unless somebody tells you a window is broken -- A If I see it, then I go ahead and replace it myself. But that's in the side. How could I see it? I don't go through the building. You can't even go through it.

Q Isn't that a window that is blocked up with cardboard?

A This window is in the side. It's in the middle of the building and it's blocked in and the other building next to it is a little lower. You can't see it from outside. It's more like in the back of the bedroom, next to it is the bathroom - you can't see that. Otherwise, who would leave a window out in

the wintertime. In summer, you could say "Wait another week."

Q What is your opinion as to the general condition of 100 River Street? Is it in good condition?

MR. SALTZMAN: I don't know whether it is appropriate for me to address this question, Mr. Richman, as to the purpose and function of this investigating committee. But you address a question as to the condition of the premises. Now I think in all fairness to the witness that the owner of the property is responsible only to a certain extent with respect to the condition of the premises that he rents out. Certainly, he shouldn't be charged with the filthy condition that these people keep the places in. It is not alone in this place. I think even in the public housing buildings in the City of Paterson you have conditions existing in the same fashion.

I don't condone nor is it my purpose in coming here with Mr. Dorman to excuse or justify any condition of these premises that have to do with structural matters completely within his control. This particular apartment is rented to a man with nine children. We have been to court five times to try to get him out.

MR. RICHMAN: Well, counsel, the Chairman has permitted you to go on.

MR. SALTZMAN: I thank you for the privilege.

MR. RICHMAN: But we are not here charging Mr. Dorman with anything at all. You understand

that, of course.

MR. SALTZMAN: It's an inquiry, yes.

MR. RICHMAN: We are simply here making an inquiry into the conditions that exist and Mr. Dorman happens to be one of those individuals who rents properties that are paid for actually with public funds.

MR. SALTZMAN: I appreciate that, Mr. Richman. I might say this - it might be of edification to the Committee as long as it is directed to inquiry - that I asked the question of Mr. Dorman as to what basis he had for the charging of rents. He has two theories. Now that may be the theory of other people with similar houses, I don't know. But one is for the purpose of housing and one is the penalty that he imposes by charging additional rents to the tenants because he anticipates the manner in which they are going to conduct themselves in these premises - in the repairs that have to be made.

MR. RICHMAN: All right, Mr. Dorman, would you mind remaining for a few minutes until the next witness is finished.

(Photographs shown the witness, received in evidence and marked Exhibits E-14 through E-20, respectively.)

MR. RICHMAN: Mr. Taylor. (Mr. Taylor comes to the witness stand.)

Mr. Taylor, you have been asked to testify before this Committee of the New Jersey Legislature.

Do you understand that you have a right to refuse to answer any question that might tend to incriminate you?

MR. TAYLOR: Yes, sir.

J A M E S T A Y L O R, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q What is your full name, please? A James Taylor.

Q And where do you live? A 100 River Street.

Q And what apartment do you occupy there? A Third floor right.

Q How long have you lived there? A Going into the second year now.

Q Are you married? A Yes.

Q How many children do you have? A I have nine children.

Q And how old is the oldest child? A She is sixteen.

Q And how old is the youngest child? A Fifteen months.

Q Fifteen months? A Right.

Q Do you and your wife and your nine children all live in this third floor right apartment? A That's right.

Q How many rooms do you have there? A Well, it's 5 rooms and bath.

Q How many bedrooms? A I have three bedrooms.

Q How much do you pay for that apartment? A \$25 a week.

Q Are you on relief? A Yes.

Q How long have you been on relief? A As near as I can recall in 1957 I went on relief.

Q From 1957 until now? A Yes.

Q Mr. Taylor, have you ever had any difficulty getting repairs made in your apartment? A Well, since I've been there - I once used to speak to Mr. Dorman about different things needed fixing and he would fix it. That was right after I moved in the apartment. But later on, he would take his own time to do repairs. I would ask him, but he said "I got other work. I have other houses I have to work on and maybe I get to you in a few days. It takes time." I said "O.K., I'll wait." So maybe it be two or three months before he would come around to decide to fix it. I know in my bathroom - it was broken. The water pipe that led to the tank on the back of the commode - the copper tubing had worked loose where they had welded it sort of together and it was flooding downstairs on the next family, which is Mrs. Jones on the second floor. It was flooding on her. So she complained. She was going to call the Board of Health. She talked with me about it. She said "If I call the Board of Health, maybe they might make us move out." I said, "The only thing to do is get ahold of Mr. Dorman and maybe he would fix it." We asked him and he never fixed it. The only thing he do was come around and get the rent and give us promises and go away again.

Q Has there been any painting or plastering done since you have been there? A Yes, since I told him the plaster out of the ceiling fell down in my baby's crib and wounded my baby. Then he went to work and put the whole ceiling in.

Q Anything else other than that? A I have in the bathroom right now - the wall where you are coming in to the bathroom on the righthand side - that whole half a wall is out on account of old age. It's not that the kids knocked it down - it cracked and stayed cracked for a while and then down she came.

Q How long was that ceiling in that condition before Mr. Dorman fixed it? A I'd say maybe three months.

Q Now the furniture in this apartment - who owns the furniture? A I own the furniture.

Q You are sure about that? A That's right.

Q I'm going to show you what is marked E-17 and ask you if you recognize that as part of your apartment? (Witness shown E-17.) A That's right. This is the room right next to the dining room.

Q What is that cardboard there? A That's in the window of my daughter's room.

Q How long has that window been out? A That window's been out ever since I moved in the apartment. I tacked it up with cardboard and then downstairs Mr. Dorman in the back of the store there, he has a junk room - he has window glasses there to hold on half a window. I goes down there and I take and put in place the glasses. Some little boy playing on the roof, he takes bricks and sit on the roof and break it in. So I goes in and replace the windows as fast as he break them. I never complain of windows down there. I could do it and I put them in. The reason I didn't tell him about the kid that broke this window, every time I tell him the kid broke the window, he said my kid do it

and he threaten to put me out so I replaced it. I asked him if it was all right. I go down to the room and get the windows and put them in until they are all gone so I had to replace it with cardboard.

Q How long has that cardboard been there? A This cardboard been in this window as it stands here, I say ever since July.

Q Last July? A Yes.

Q Does Mr. Dorman know it is in there? A He comes to the house and be doing repair like on the crack in the wall. He took plaster and replaced cracked plaster on the wall and daubed other little holes. He did repairs in this room, repair on the walls. I know he couldn't help from seeing this cardboard in the window.

Q Did he say anything to you about it? A Well, quite naturally I tell the fellow that was working - I say "This window is out. Does Mr. Dorman know about it?" He said yeah, he know about it - he'll be back directly.

Q Do you know Mrs. Dorman? A Sure.

Q Has she ever been to your apartment to fix anything? A Yes, she has been there and fixed the window in the kitchen and daubed up a hole in the wall over the cook stove. He had a pipe leading up from the hot water tank, the little gas stove - he had a little small pipe leading out this hole. Mrs. Dorman came there with this colored fellow and daubed this hole up and she put new panes in the kitchen windows.- she replaced.

Q How many times has she been there to repair things? A I'd say about twice.

Q No more than that? A No more than that.

BY SENATOR GROSSI:

Q Mr. Taylor, you have five rooms you said? A Yes.

Q Five rooms and bath? A Yes.

Q What is the source of your heat? A You mean ---

Q How much heat do you have and what kind of heat do you have? A We have to heat with the cook stove.

Q That's in the kitchen? A That's right. That's the only heat.

Q You don't have any steam heat? A No steam heat. Other heat I have to supply myself like an oil stove. I have an oil stove - I mean a kerosene stove, a pot-belly stove. If I get any oil for that stove, I have to do the buying. It's a cold-water flat.

Q And you have an oil stove. Where is that oil stove? A The oil stove is in the dining room.

Q And you have a kitchen stove? A I have a kitchen stove.

Q Is that oil also? A That's gas.

Q That's gas? A That's right.

Q Is this sufficient to heat your apartment?

A No, sir. My family - I mean, these last cold days we had here, my family slept cold through all - you know - the heating facilities that I finally arranged myself. They still slept cold.

Q Is your rent paid up to date? A I am one week this Friday - would make it \$50. I am one week behind and this week here, you know, coming up, would make it \$50.

Q And the Relief Department gives you the money to pay the rent?

A That's right, they have. They've been very nice to me about paying my rent and taking care of me.

Q Do you owe any grocery bills? A No, sir.

Q Doctor's bills? A No, sir.

Q So you are just behind in your rent two weeks?

A That's all. As of now, I'm working.

Q Are you working now? A Yes.

MR. RICHMAN: Mr. Saltzman, I hope your client understands that Mr. Taylor is here under subpoena and is testifying under subpoena and he is not a voluntary witness and that no retaliation would be taken taken against him by reason of his testifying.

MR. SALTZMAN: No. I want to assure you we have no such thought. As far as Mrs. Dorman is concerned, she has been there a number of times from what she tells me. This matter has been in the court in an attempt to evict the tenant. It's a typical situation with nine children.

MR. RICHMAN: I just wanted ---

MR. SALTZMAN: No, no, there is no such thought.

MR. RICHMAN: I hope your client will understand.

MR. SALTZMAN: There shouldn't be any mental reservations about that.

BY MR. RICHMAN:

Q How much relief do you receive? A Well, before I went to work the Welfare Department furnished me rent and food

and also paid my gas and electric bill.

Q How much money do you get every week from the Welfare Department?

A As of now - let's see this last past week they give me \$25 for the rent and \$17 for food. That's what they give me since I've been working.

Q How much are you making? A Well, my pay is fifty-one dollars and some change.

Q Before you were working how much were you getting from the Welfare Department? A I was getting \$25 a week for rent and \$59.50 for food and also they were paying my gas and electric.

MR. RICHMAN: Thank you, Mr. Taylor.

(Witness excused.)

Mr. Cantisano.

MR. SALTZMAN: Are you finished with Mr. Dorman?

MR. RICHMAN: Yes, unless he wants to listen to this testimony. It might be edifying to him. It might be helpful. He might learn something about his properties.

MR. SALTZMAN: I might learn something?

SENATOR GROSSI: Mr. Dorman might learn something. This is the Health Inspector who will report on the conditions of 44 Essex Street.

T H O M A S N. C A N T I S A N O, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q What is your full name, sir? A Thomas N. Cantisano.

Q What is your position with the City of Paterson?

A Sanitary Inspector with the Paterson Board of Health.

Q How long have you held that position? A Three and one-half years.

Q Did you make an inspection of 44 Essex Street recently? A Yes, I did.

Q When? A January 4, 1961.

Q Will you give us the results of your inspection?

A Complete inspection was made January 4, 1961 at 44 Essex Street and the following conditions of violations were found: The apartment first floor front was improper ventilation in the toilet room. The exhaust fan used for this purpose was broken. The flush box in the toilet room was leaking underneath at the bowl connection. The bedroom ceiling showed signs of the plaster cracking. There was a broken window pane in the bedroom and the paint was peeling in the living room.

The apartment second floor front was vacant at that time.

The apartment first floor rear - In the toilet room the side walls were broken and dirty. There was improper ventilation. The exhaust fan used for this purpose was broken. The floor underneath the bathtub faucets was broken. The kitchen ceiling and sidewalls were very dirty. Plaster behind the kitchen coal stove was peeling. There was a defective break in the coal stove which made it very difficult to remove the ashes. The chimney flue was loose, creating a possible fire hazard. There was a broken window in the kitchen. There was a defective hot water faucet in the kitchen sink and the wallpaper was peeling off the sidewalls in the bedroom.

The second floor rear apartment: The toilet had a defective flush box and the trap on the basin sink in the toilet room was leaking and the premises were completely infected with roaches, possibly rats.

Q What is the history of this building with your department? A Well, I was first sent there by Chief Sanitarian William Carney November 17, 1958. I made a complete inspection of the premises, 44 Essex Street, and these were the violations that existed at that time: "The first floor front - the walls and ceiling were badly broken. The bedroom was too small in the apartment and did not meet the minimum requirement of 70 square feet. There were no hot water facilities supplied and there were broken windows in the apartment. The first floor rear - there were no bathing facilities, no hot water facilities and the bedroom was too small and it also did not meet the minimum standard requirement of 70 square feet and the toilet had a defective flush.

"Second floor - no bathing facilities, no hot water facilities, and there was insufficient ventilation in the bedrooms."

There was a notice sent to Isadore Dorman November 19 with the violations that had to be corrected. On December 2nd, I made another inspection and the work was not started at this time. The owner stated that he wanted to vacate the premises in order to do the work and correct the violations. December 30, 1958 - at this inspection he was in the process of vacating the apartments and he was given a little more time. January 13th - the repair work had been started and there was a copy of the Housing Ordinance

sent to the landlord. September 3, 1959, the landlord requested a re-inspection. He claimed that the work requested to be done had been done. At this re-inspection it revealed all the conditions had been corrected with the exception of an over-crowded condition, in the first floor rear apartment and there was no heating facilities provided in any of the apartments at that time.

Mr. Dorman was told about these conditions and there was another inspection on November 13, 1959. The heating facilities were at that time provided for all the apartments. At this time the landlord explained that he would move the over-crowded family to larger quarters. An approval was forwarded to the Building Inspector Ralph Petrillo by Chief Carney to issue a certificate of occupancy for the building, with the provision that the occupancy complied with the Housing Ordinance as to the limit of persons occupying each individual apartment.

November 25, 1959, we made another inspection of the premises and checked for the proper housing in regards to over-crowding apartments and I found the first floor rear was occupied by five persons when occupancy limit was for two. The second floor rear apartment was occupied by five persons when occupancy limit was for four. As a result, December 3, 1959, I signed a court complaint against the landlord Isadore Dorman for violation of Section 8.1 of the Housing Ordinance. December 15, 1959, the case was heard before Magistrate Alfano who reserved his decision until a review of the City Health Ordinance had been made by the Legal Department. January 11, 1960, I made another inspection at

the premises and found that both tenants that had been in violation had vacated the premises.

January 12, 1960, the case was continued before Magistrate Alfano and he stated he would contact the Health Department to render a decision. On January 14, 1960, Magistrate Alfano found I. Dorman guilty of Section 8.1 of the Housing Ordinance and he was fined \$10. This conviction was appealed in the County Court on February 11, 1960. The decision of Magistrate Alfano had been reversed by Judge Stanley J. Polack due to the lack of proof of the number of children residing at the premises.

June 2, 1960, I made another complete inspection of the premises and found the first floor rear and second floor rear apartments were both vacant. The water had been turned off in both apartments. The landlord had stated it was for the purpose of preventing unauthorized persons from entering the apartment and using the water. At this time, also found some other violations. The cellar was littered with wood, junk, debris and cans, etc., creating a possible a rat harborage. The flush box in the toilet was leaking underneath at the pipe connection in apartment second floor front. There was a possible rat infestation of the premises. Apartment first floor front had overcrowded conditions. There were four persons occupying apartment when the occupancy limit was for three. The owner was verbally notified to correct the above conditions.

On June 16, 1960 all the conditions of violations had been corrected. The card was closed.

Following that, we made the inspection of January 4,

1961 which I just read you.

MR. RICHMAN: Thank you, sir.

SENATOR GROSSI: We will adjourn the open hearing, the public hearing, until two o'clock, and will Mrs. Paduani and Mr. Vega remain here for a private hearing.

All other witnesses who have been subpoenaed here will hold themselves in readiness for a future hearing to be conducted by this Committee in Paterson at a future date. But Mrs. Paduani and Mr. Vega will remain here now so that we can conduct a private hearing concerning these two.

We want to apologize to both Mr. Greene and Mr. Adelman for keeping them here all morning, but I think it has been informative to them too. We would like both of you, Mr. Adelman and Mr. Greene, to come back here at two o'clock. All other witnesses can now go, but they are to hold themselves in readiness. They will not be subpoenaed again because they are already under subpoena. They will be notified when the next hearing will be held.

We will now adjourn the public hearing until two o'clock. Mr. Vega and Mrs. Paduani will remain.

(Recess for lunch.)

AFTER RECESS

SENATOR GROSSI: This legislative hearing will resume. Our first witness will be Mr. Sidney Adelman, Director of Welfare, City of Paterson. Attorney General Richman will swear you in.

S I D N E Y A D E L M A N, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q Your full name, sir. A Sidney Adelman.

Q And what is your position? A Director, Municipal Welfare, or Public Welfare, Paterson.

Q For the City of Paterson? A City of Paterson.

Q How long have you held that position? A Since June 1958.

Q Will you give us a breakdown of your organizational structure of your office? A We have a professional staff of 10 and an administrative staff of 18.

Q By "professional" you mean investigators? A Case-workers and welfare supervisors and head supervisors.

Q Now, do you have an assistant? A I have no assistant. I have a head supervisor.

Q And you are the person who makes all the policies, decisions, and final determinations? A I don't make any policies. I interpret the policies laid down by the DIA, Department of Institutions and Agencies. They make the policies.

Q How do they transmit their policies to you? A They transmit all policies in writing.

Q Does that happen frequently? A Very, very frequently.

Q Well, who does that come from? A It comes directly from the Bureau of Assistance, which is a division of

the State Department of Institutions and Agencies.

Q All right. Now, the determination as to who gets or who does not get relief, or the amount of relief, who makes that final determination? A Well, at the present time the case-workers take the applications and fill out the forms. It takes approximately an hour and a half. They are complicated forms. Then that application is turned over to a screener, Miss Grant. She reviews the information and the application and if anything has been omitted or is inadequate, she will not approve it for relief and I or the Head Supervisor pass upon the eligibility of the applicant.

Q How long does that process take? A Well, to process a case you have to figure anywhere from two to two and a half hours per person.

Q That is all done in your office, isn't it? A Yes, sir.

Q Now, when does the field investigation start?

A After the eligibility of the applicant is established, it is turned over to the investigator for a home visit.

Q When do the payments start? A Under the statute, it is supposed to start immediately. Our department is supposed to give, and investigate after. We are the only program that must give immediately without investigation.

Q Do you think that's a good policy? A Definitely not.

Q What would you suggest in place of it? A I would suggest that in order not to be in conflict with the Bureau's plan with the government, we have a plan filed which has been accepted by the Social Security Administration, because it is a matchable program, that there should be a 30-day work record to

indicate that the man has worked at least 30 days before he is eligible for relief, before his application is accepted, because there has been a tremendous amount of criticism by the public about the people who come here and get off a bus or a plane and walk into the relief department and demand relief immediately and you have to give it to them because the statute says that any person who is found to be in need must receive immediate aid. That statute should be revised, studied, or simplified.

Q Do you think under the present statute you could justify a 30-day waiting period? A Well, I think so, yes. I think so because, as a member of the Mayor's Review Committee established in 1959, we went through all this and in 1960 the Welfare Directors of the six largest cities in the State seemed to be in accord with that opinion.

Q But you still operate the other way? A Naturally we have to abide by the statute.

Q Well, maybe I didn't make myself clear or maybe I did. As I interpret your answer, you think that without amendment to the present statute, it could still be construed to permit a 30-day waiting period? A Without a revision of the statute?

Q Yes. A No, sir.

Q I misunderstood you. The statute must be revised. A Right. Or the State could lay down a different policy.

Q Well, that was what I was getting at. A It's a possibility, because under the statute as it is now the eligibility for relief is very simple, but it gives the Commissioner of the Department of Institutions the authority under the statute to interpret how that statute shall be best applied, with the methods of procedures that are laid down by the Commissioner who has the

authority to lay down policy, and he may do it by policy.

Q What are the present standards of eligibility?

A Well, a person must be in need and he must be examined as to whether or not he has any resources - any future resources or present resources. We also interview or contact relatives who under the statute are responsible relatives who could help the family.

Q That's all done after he's declared eligible?

A He is eligible the minute he declares he's in need. He comes in the office and he says, "I have no food, my children have no milk, you've got to take care of it." Immediately you've got to put the fire out.

Q So you have no opportunity to do any investigating at all?

A That's right. That's a tremendous responsibility on the Relief Department, because some of these people swindle you.

Q Do you think a residence requirement would be of any help?

A A residence requirement?

Q Yes.

A Well, we have a situation in New Jersey where he's eligible for relief but he hasn't got legal settlement. We don't have a residence law; we have what we call "legal settlement." If he has been here two years he is entitled to relief, and if he hasn't been here two years we either request a return to the State from which he came or we carry him. We must communicate with the State Department again and set forth that he has not been here for two years, and they accept it and it is reimbursable on the basis of 80 per cent. We don't have too many cases of that kind as you will observe. We have about 19 cases, I believe, and they have been here more or less six months, the 19 of them, except two. Two cases have been here less than six

months, one from Puerto Rico and one from South Carolina. Now subtract that from the 19 and we get 80 per cent that we are reimbursed. But we have followed a policy in our department of requesting the return of every one of them for social reasons, because we feel in many respects where they move in a neighborhood they create a problem and many people resent the way they behave and the way they carry on, and we request their return, and I would say a year ago where we had 80 cases, we have 19 today. We had two yesterday, by the way; one has been here 4 months and the other family was here 18 months. They have no residence here, so we temporarily put them on. The minute we put them on, we get 80 per cent back, but we are still asking for their return.

Q Your program last year involved - and you can correct me if these figures are wrong - about 242 families. Is that right? A Last year?

Q Yes. A Oh, no. We had 242 families in the month of December.

Q Well, is that about your regular caseload? A No, a normal caseload for Paterson would be approximately 350 cases, the normal caseload if there was no involved problem. We had a very low caseload in October, November and December.

Q How do you account for that? A Well, because we have - and it may sound like bragging - we have created our own program. The rules provide that if an applicant comes into our office, he must show that he is available for it and he has tried to get a job. So he brings in the printed form and he puts on a lot of names where he tried to get a job and couldn't get a job. We found after some time that that was absolutely worthless, so we have a gentleman who takes care of our finance division, and in

the last 20 months he obtained about 632 jobs. We don't tell them to look for a job; we tell them we will get you a job and we take them by automobile to the place of employment; we speak to the employer or speak to the young man and tell him here's a job - you take care of it. We see that he is properly dressed when he goes for the job and they put him on the job. A man might say, "I can't take this job; I have no transportation until I get my pay check." We furnish him transportation for a week or two until his pay is due. We have found out that it is working very well.

Q You placed 632 people then in the last year?

A That's right, either placed them or denied them relief. Now if the man took the job and he worked two or three days and he was fired because he was intoxicated or because of absenteeism, we then tell him, "You're off relief." We send for the mother of the children and we don't use this taking him off relief as a punitive measure; we don't want to punish the children or the mother. We tell her we are going to give your husband two more weeks to find a job and if he doesn't find a job, you will have to make a support complaint against him, because it is your primary obligation to see that he supports his family. She might say, "Well, I love my husband and I don't like to do that." "Well, you'll have to do it because you married the man and he has to support you if there is nothing wrong with him."

Q Suppose he gets a job and then loses the job and then you give him two weeks to get a job and he doesn't get a job?

A We insist that a complaint be made and take him before the Judge of the Domestic Relations Court, Judge Spernow, and let him tell his story to the Judge and he takes care of the problem very adequately.

Q Well, suppose he goes before Judge Spernow and still doesn't get a job, he doesn't have any money and the children still don't have any support, then what do you do? A Well, he had a job and it was his duty to take care of it. Sometimes we give him another chance if we think there is anything worth while and if his work record shows it is the first time he committed that offense. We don't exercise any punitive measures.

Q Well, let me ask you this: Suppose you do all these things and he still doesn't have any employment, he still won't work, he still has no income, what do you do about the children?

A We give the children aid, the mother and children; we pay the rent and give them the basic needs.

Q Do you do that, or under the ADC program? A We do that, because if he is in the house he is not transferrable, you see. If he is not in the house, then we transfer to the categorical program.

Q In other words, if all your efforts fail with the individual, you still eventually do give relief to the mother and children? A That's right. We don't object to helping the mother and the children. If it is costly, if he is sent to jail, it gets around very fast by the grapevine and fewer of these bums come in.

Q Well, it would seem to indicate if your caseload in the last three months of the year then - A The last three months were very good but, you see, we have a season in this relief business, the same as they do in industry. January, February and March are always very bad months. You ask why? Because construction workers are not working now, and they are coming in and they are destitute for a reason you can't blame them.

It isn't their own fault. There simply is a lack of work.

Q Do you mean to indicate you only have now 19 cases -

A Non-resident of the State.

Q Yes, that's right. Now how about people who have come in for assistance. A We have 9 non-resident municipal cases. In non-resident municipal cases we get 100 per cent reimbursement.

Q Well, how many cases do you have of people coming from other parts of New Jersey into Paterson? A In this department?

Q Yes. A Very few, very few.

BY SENATOR GROSSI:

Q Mr. Adelman, would you mind describing for us the difference between a direct relief case and aid to dependent children? A Well, the statute provides, which was passed and became effective January 1, 1960, this year - it was passed in the summer of 1950 or the fall of 1950 but didn't become effective until the 1st of January 1960.

Q You mean it was passed in the fall of 1959 and didn't become effective until 1960. A That's right. That program was originally operated or administrated by the Home Life Assistance program under the State Division of Child Welfare. Under that program, a woman had to be in the county for a year before she was eligible for relief. If she had an illegitimate child or a legitimate child and she didn't know the whereabouts of her husband, or if she was a widow, she was eligible. Do you follow me so far?

Q In other words, a program on direct relief differs from a program of aid to dependent children by virtue of the fact that in one instance on direct relief the family unit is together; the husband is there - A That's right.

Q Would it be automatically transferred to aid to

dependent children if the husband leaves or the mother and the children are without support, without income. A Yes, they come into us and we have to carry them for a short period. If they apply to the ADC directly, they take 30 days - they are supposed to take 30 days - but invariably in a great many instances they take much more than 30 days, but in the interim between the time they are accepted by the County Welfare Board, we have to maintain them.

Q What is your relief load now, Mr. Adelman? A Our relief load now is 242 cases.

Q How much did you spend for relief in 1960? A I'll give it to you. The relief cost in 1958 was \$658,572; in 1959 it was \$573,850; in 1960 it was \$383,365.

Q Now the difference between 1958 and 1959 is the normal attrition, is that right? A Between 1958 and 1959, there was a reduction of about - well, it would be \$658,000 - \$573,000, subtract that from \$658,00 and it would be about \$75,000.

Q The difference there is attributable to what? Normal attrition? A Between those two periods?

Q Between 1958 and 1959. A Well, I would say, when the recession started the Paterson Welfare Department was not equipped properly.

Q I mean, there was no single factor like Aid to Dependent Children or a Home Life Program there? A No. The Paterson Welfare Department was deluged with hundreds of people coming in every day. There was a panic down there because the recession was in full bloom, and the late Mayor made many attempts to get qualified help, experienced help, from the State of New Jersey, from Trenton, from Civil Service, and they didn't have any and we

had to take what we could get.

Q What was your caseload in 1958? A Well, it was running around 650 cases.

Q What was it in 1959? A About 700 cases.

Q And in 1960? A 242 cases.

Q Now you just testified that the difference in 1958 and 1959 - in 1959 it was \$570,000 and some odd dollars, and in 1960 your figure is three hundred what? A \$383 -

Q \$383,000. The reduction in this figure is attributable to what factor or factors? A Well, there are many, many reasons I could give. I think the major reason would be the ADC one.

Q The transfer of many families off direct relief to the ADC program which is now being borne by the county. Is that right?

A That's right, sir. And the other cause would be the work program.

Q That is a contributing factor. A Yes.

Q But the major factor is the transfer to the ADC Program, is that right? A I wouldn't say it is the major, because we cleared more cases with the work program than we did with ADC.

Q Well, are you prepared to say how many cases you transferred from 1959, the end of 1959, or '60 - how many cases were transferred from direct relief to ADC? A If I give you a figure it would only be guessing.

Q Well, guess. A I would say it was a trifle more than it was under the home life assistance program. Under the State Board on the home life assistance program we transferred a lot of people too, but when ADC came in it was a little larger.

Q Well, how many cases would you say were transferred?

A Well, I would say approximately - you have 21 or 25 cases pending now and from the mail that I open up, I wouldn't say there were more than 25 cases a month.

Q 25 cases a month. A About that.

Q Is that 25 new cases each month? A About 20 to 25.

Q So it would amount to then about 300 cases in a year?

A Approximately, yes.

Q So if you had those 300 cases now, your relief load would be approximately 542 or thereabouts; it would be over 500.

A Well, the relief load - the major reason it went down was because of offering people jobs who were available to work and refused to work.

Q But there still were 20 or 25 cases a month that you would ordinarily have handled which are now being handled by the Aid to Dependent Children Program. A Yes.

Q Now on your relief payments, Mr. Adelman, how do you disburse the moneys from your budget? In other words, we note that on some of these cases we have checked out that there is a certain amount allocated for rent, a certain amount allocated for utilities, that is gas and electric, and a certain amount allocated for food. How do you disburse these moneys? A We do it on a Manual; they give you a Manual and they set forth in the Manual how much food you can allow each child of a certain age, and how much each adult.

Q I didn't mean that. I mean, how do you pay?

A On a voucher system.

Q Voucher system? A We don't operate on a cash system at all. Some departments do.

Q Do you pay directly to the landlord? A The

voucher for the rent is given to the client, he signs his name, and then he has to go to the landlord and have the landlord countersign it and then he brings it back to us.

Q Well, how do you account for some people being two weeks behind in their rent? Would that be because it hasn't been processed yet? A He probably meant - he wasn't behind two weeks while he is on relief. He probably was two weeks behind before he came on relief.

Q In other words, you make out a voucher and he has to have it countersigned by the landlord, and then you make out a check? A No, the voucher is sent to the City Hall and the Treasurer pays the bill in due course.

Q To the landlord? A That's right.

Q Not to the rent-payer? A Not to the tenant.

Q What about gas and electricity? A On gas and electricity, we have an arrangement with the Public Service and when we put them on for gas and electricity, they send us a bill at the end of the month and we pay that by voucher.

Q What about food? A For food we make out a voucher and they can trade in any store they please. We give them a voucher for food and they can go to any store they wish.

Q So that that is a blank order, you might say, for X number of dollars that they can take to any store that they wish. A Yes.

Q And trade that in for food. A Correct.

Q Have you ever found any abuses with respect to the cashing of food vouchers? A Not that I can put my finger on.

Q Have there been any, general - A There might have been, but I never saw anything that required any particular

attention on my part. If I suspect anything, I interrogate them and they give me a rational answer.

Q Do you make periodic checks - A We have to make periodic -

Q - with the grocers? A We have to make periodic reviews of all cases; that is a statutory requirement.

Q You testified, too, before about residence requirements and you said that we don't have residence requirements in New Jersey but we do have legal settlement. A That's right.

Q What is the difference between residence and legal settlement? A Well, if you will read the settlement laws - and I have never yet found anybody who has read them; I have read them a dozen times and they are antiquated and they should be re-examined and the whole thing should be scrapped. There are so many contradictions in that law, and I don't believe any lawyer even if he read them a dozen times would know what he was talking about.

Q You're a lawyer, aren't you, Mr. Adelman? A I hope so.

Q And a good one. You are not prepared to say or you cannot adequately describe in words that can be understood without technical and legal verbiage as to the difference between legal settlement and legal residence. A Well, the difference is this: If you have a residence, then you are eligible for relief; if you don't have residence here, you are put on as a non-state case and the Bureau of Assistance reimburses you 80 per cent; you are not qualified as a resident. For example - I'll give you an example. If a man is married to a woman in New Jersey, she may live here and have a residence here and her children are brought up here, and they vote here, have real estate, she pays taxes - she

may not have a residence here although she has lived here for 20 years for the purpose of getting relief because her husband might be in Florida, and she has what we call a "derivative residence." I have another contradiction of the law that comes to my mind. The law says that if you bring anybody into New Jersey for the purpose of getting relief you are violating the law; it's a misdemeanor; or if you send somebody here - "bring or Send" - you are violating the law. But, on the next page, it says that if he applies for relief you must give it to him. So if you give it to him, he violates the law.

Q Have you during your tenure come across any cases that have come into Paterson from other states in the Union where it has developed that they came here specifically for the purpose of getting on relief? A Oh, yes. I had a woman here about four or five months ago. She went down south to one state down there and she brought up her daughter with four or five children, and I sent for this woman and I said, "You brought your daughter up here for the purpose of getting relief." She took her in her home - she was on relief herself, the mother. I said, "You're going to go back, and if you don't go back I'm going to make a complaint against you." Well, they haggled for about a week or ten days, and she finally said, "All right, we'll go back," and we gave her \$25 for gas and oil and food and they went back. Oh, yes.

Q Did it develop that they came to Paterson because Paterson was a so-called easy city to get relief out of?

A That's right. Our relief program is considered one of the most generous programs, our program in New Jersey. Down south they get \$7.00 a child and up here they get \$30 a child. It makes quite a difference. I have had them tell me that. They don't get enough down there. That's why I suggested the work

program, and you'll find you will cut down the applications for relief from other states and they won't be bouncing in here so frequently.

Q Have you ever developed in questioning or interviewing a relief applicant that they came here to Paterson or New Jersey, as the case may be, because they were told down South, or wherever they come from, that they could get more money on relief up here than they could down there? A Only from the person who made the application. I asked him, "Why did you come here? They have a relief department down there too. They have to take care of you." "Well, down there, they only give you \$7.00." The applicant told me that.

Q Have there been any instances where the applicant said they had their fare paid up here so they could get out of a particular state or community? A They get up here usually - one came in yesterday; he came up here and he said his brother-in-law brought him up. I said, "How much money did you have when you came up here?" He said, "Nothing." He evidently came here for the purpose of getting relief. He found a job in two weeks, he said. Then he worked for about four months and now he's out of work and his brother-in-law moved to Passaic, so I said to him, "Do you want to go back?" He said, "I'll go back," - because if you don't go back voluntarily, I was going to ask for authorization. We can't send anybody back to any state without authorization from Trenton, because the Supreme Court has held, as you know, that any citizen can live where he wants to. There is no restriction on residence. That is a United States Supreme Court decision.

Q What is your largest single disbursement for a family

on relief in Paterson? A Well, it may run \$400.

Q \$400 what? A \$400 a month where the rent is high, or the rent runs \$100 a month and if they have eight or nine children, you can add it up and see very rapidly it will run around \$400. I have seen some orders from the ADC program of \$500.

Q What is the highest amount that you have disbursed for rent? A Well, I think \$135.00 is the highest.

Q \$135 for a month? A That's right. That is furnished, with furniture, and with utilities.

Q The number of children, of course, determines the amount of money that you allocate for food? A Yes.

Q When you say you paid out \$400 a month, that is exclusive of clothing. You give clothing in addition, don't you?

A Well, it is not a basic need. There are two types of need. Basic needs are the things that are mandatory, that you have to give them; that is, food, shelter, fuel, medicine, medical care. The variable needs are in a category all by themselves and are discretionary with the Director. If he thinks there is a need for it, he can give it, but if he doesn't think there is need for it he doesn't give it.

Q So when you say the highest amount you have disbursed is \$400, conceivably that could run more and probably does?

A It certainly could. If someone is in the hospital, it runs \$10 a day and the Welfare Department pays \$10 a day.

Q You also have what is termed "supplementary relief"; that is, where a man is working but he has such a large family that he doesn't earn enough money under the formula to keep his family together; then you give what they call "supplementary relief," which is also according to formula. Is that true?

A Well, first we build up a budget, we establish a budget according to the Manual. If he makes \$25 or \$35 a week only and has 8 or 9 children, we take that off his budget, that contribution of \$25 or \$30 a week; then we give him what is called a deficit budget, he gets the difference.

Q Well, let's take a hypothetical case: Mr. and Mrs. X, no children, on relief. What do you allocate to them for relief purposes - no income? A Well, no income - you have to give them food and you have to give them shelter, fuel.

Q What does that amount to? A Two people, it might run as high as \$125 or \$130, depending on the rent. If the rent is high, it will run higher. I am taking a normal rent.

Q So the only thing variable there is the rent? A Yes. The rent is variable because in New Jersey - to me, it's an awful hard thing to understand, how a tenant can go out and obligate a welfare department, without the consent of the welfare department, without them even knowing about it, to pay any rental that they see fit. I heard the testimony of Mr. Dorman. He makes a specialty of running around for relief clients and he coaches them. They have to go in and ask for a rental that is exorbitant, and he tells them they have to pay it.

Q How do you know that? A I see him hanging around the building. Why is he hanging around there? He always comes in with them. He comes in with them.

Q Has any client told you that Mr. Dorman told them to ask for X number of dollars? A I haven't interrogated a client but the fact that he is always there hanging around looking for them and hanging around in front of the building, I suspect that is so.

Q In other words, a respective relief client - if they come in and tell you that their rent is \$125 a month, even if that were a hovel, you would pay it? A You have to pay it under the present rules and regulations, but in Pennsylvania they have a schedule and they budget rent the same as they do food. They put it down. I have interrogated the Pennsylvania Department and I have here their printed Manual. Here it is. In Pennsylvania they have a maximum rent of about \$57 a month for five or more people, and I maintain that if we budget our rent in New Jersey, the same as they do in Pennsylvania and many other states, these landlords that rent these rat holes will take the \$57 if they know they can't get any more.

Q In your opinion, much of the rent you are paying on the basis of \$25, \$30, or \$35 a week is exorbitant and unwarranted? A It is way out of line. When I was State Chairman of the Board of Control in this city in 1955 and 1956, these places were getting \$18 and \$20 a month.

Q For the same places today you are paying as much as \$25 a week or \$100 a month. A It's more than \$100. It's four weeks and a third. That's \$108 a month, without utilities. These are cold water flats and they are in the most dilapidated condition and they'd be glad to take \$57 a month.

Q Some of these families that are on relief, do any of them receive household aid? By that I mean, does the relief department send somebody there to take care of the house, clean the house, etc.? A No, the relief department doesn't do that. There is a monthly visit. The statute provides that there shall be one visit a month in the home and the investigators have been instructed, if they see the place is filthy and unkempt,

to talk to them and persuade them in a kindly way to see the place is kept clean for the benefit of their children and themselves, and in some instances there is some improvement.

Q Do any of these relief clients have telephones that are paid for by the Relief Department? A We don't pay for telephones. It is a variable need but I won't pay for it.

Q Are there any relief clients in the City of Paterson, or have there been since you have been the Director, where the Relief Department has made payments on their automobiles for them? A I haven't.

Q You haven't had any? A The Manual or the regulations say you can pay back payments on an automobile which is a variable need in the event the client uses his car to get to and from work, but I haven't paid them. I would rather find them another job where he can get to his job.

Q You mean, under the existing law and the regulations laid down by the Department of Institutions and Agencies, which has the effect of law with you. Is that right? A That's right.

Q Under the existing policy then, if we had a hypothetical case where a man was working and he had to get supplementary relief and he needed his car to go back and forth to work and had not paid up the payments on his car, you would have to make those payments? A You wouldn't have to.

Q Within the formula? A You would have to use your discretion. It is not mandatory. It is discretionary with the Welfare Director.

Q How about small loans? A Well, that we don't pay - any back payments.

Q Are you supposed to? A No..

Q Can you? A No.

Q You are not permitted to? A You are not supposed to pick up any back obligations. Mortgages on loans - well, I had one case where the woman had about 10 or 12 children and she bought the house on a purchase contract and it was \$100 a month or so - I don't recall exactly; it was \$100 or \$125 - but it was more economical to pay the mortgage loan, the monthly payments, than to find her a place, so we continued to pay. But what I would like to see the Legislature do very definitely is to give us a lien and declare that any money given by a Welfare Department is a debt and is repayable by the client whenever they are able to do it in the future. It would cover three things. Now, there are many of these people who have compensation suits and they collect the money, and we have no way of getting our share out of it. They promise to pay, some of them sign a reimbursement agreement, and the compensation clerk will recognize a reimbursement agreement and the lawyer says, "I can't help it. He insists on his check and I have to give it to him." Now, on these compensation awards we don't get anything back and we don't get anything back on litigation except from people who are honest, and we do find quite a few of them too, you know. If we had a lien the same as the County Welfare Board - they have a lien for any money they give - and we filed that lien, we would be fully protected.

Q When you give a person relief, do you bother to check with the unemployment office and with Social Security to see whether they are getting pension payments or unemployment compensation, or do you just ask the client? A Whether there are any suits pending? Well, that I don't know definitely. That is a question I have never been confronted with.

Q Well, is it conceivable that I could be drawing unemployment compensation and yet come down and make application for relief and have relief granted to me on the basis of the number of people in my family, without you knowing it? A No, he couldn't draw compensation because, in order to be eligible for relief, you must first report to the Unemployment Service Bureau and they give you a little card, and you must present that card to us, and from that card we know whether he is in UCC benefits or whether he is eligible for them. We know that. Then we know also if he gives us his case history where he worked and how long he worked. Many of them don't know they are eligible for UCC, but we tell them if they are eligible and they go over and report and when they collect it we deduct it from the budget.

Q What are you going to ask the City of Paterson for your budget for 1961? A I am going to ask the City of Paterson - of course, whatever you ask, you don't know what will happen; you are dealing with intangible figures.

Q Exclusive now of administrative costs. I am talking now - A I am going to ask from the present outlook, which is not too healthy - we all read the newspapers so we know the unemployment rate in the country is around five million - five million people out of work - and they are hammering in the newspapers it will get worse the first six months of the year, so I am going to ask for the same amount I did for 1960 with the hope that we can hold the line and perhaps do better.

Q Which is what? Three hundred and some thousand?
A \$180,000.

Q That's the city's contribution? A That's right.

Q And that will be augmented by the State's contribution. A It will. They will probably give us a little less

than 50 per cent because as your caseload goes down and as your cost goes down your percentage of reimbursement goes down.

Q So, in other words, the outlook for 1961, projected on the basis of what your relief load is now, will be about \$360,000 or \$350,000? A I hope that will be it.

Q Whereas, in 1958 and 1959 it was \$570,000 and \$600,000 and some odd dollars. A That's right, sir.

Q Is there anything you would like to say to this Committee? Well, before I ask you that - Are there any questions from you, Mr. Richman?

BY MR. RICHMAN:

Q These practices that you refer to in connection with some of the witnesses this morning, is that prevalent in the City of Paterson, these slum conditions - landlords renting to your clients? A If you look at it from a percentage point of view, it is not a colossal condition, because we have 33 cases that we got into the Housing Authority within the last year - 33 cases, and we only have 15 left where the rents are over \$20 a week. Our percentage casewise of the entire load is \$27 point - well, \$27 general average for each and every house, which is a very low percentage and statewide it is a very good percentage. Most of the people don't charge exorbitant rent. There are a few leeches of this character and he is apparently the outstanding one.

Q You mean Mr. Dorman? A About that. Maybe one or two others. It is isolated; it is not a major problem.

Q And it can eventually be cured by getting these people into housing developments? A We now require every applicant who comes in who has been a resident in this city for any length of time, not non-resident cases, to file an application for

housing as a prerequisite for eligibility.

BY SENATOR GROSSI:

Q Mr. Adelman, is there any phase of relief that we haven't touched upon, or are there some convictions borne of your experience that you think should be called to the attention of this Committee? A Well, there are a few things that I thought the Legislature could - there are some policies that ought to be changed and I submitted to Mr. Harrison, I believe - Didn't I submit to you yesterday what can be done by the Legislature to reduce the burden?

MR. HARRISON: No.

A Your man didn't deliver it? I have listed here seven recommendations for the Legislature. If you will permit me, I will be glad to read them.

Q Read them into the record and keep your voice up and close to the microphone, please. A I want to read into the record 7 recommendations that I believe are generally accepted by the Welfare Directors of the six largest cities in this State.

1. Bring the welfare laws up to date. They are antiques and need a general overhauling.

2. Settlement laws should be re-examined and simplified.

3. Eligibility required for ADC should be revised consistent with federal law to release municipalities from long-term cases. We should be obliged to handle short-term cases requiring emergency treatment - maintenance treatment based on 60 days to become the responsibility of the categorical agencies.

4. Uniformity of standards and administration for all communities - penalty for noncompliance. We have about 567 municipalities in this State and a third of them are not on

state aid. Of that third, you have about a hundred of them that don't have qualified welfare directors and they represent about 10 per cent of the population. As a result of this one-third that don't want state aid or don't ask for state aid, there is a backwash and a dumping of various cases into the larger communities.

4. Uniformity of standards and administration for all communities and a penalty for noncompliance. The law doesn't say that a community that doesn't want state aid must not comply with the giving of aid if there is need, but they do as they please and they don't give proper amounts, and they virtually drive the people into the big communities.

5. The Legislature should declare by statute that all public assistance received by any person shall constitute a debt repayable by such person to the public agency when he has the means to do so. The public agency should have the right to require a lien on any resources, present or future, as a prerequisite to obtain relief.

6. Thirty days of gainful employment should be a prerequisite before an application for relief would be accepted. The present statute requiring the Director to render immediate aid if the person is in need, even before investigation, is not realistic and should be examined.

7. The unemployment compensation program should be improved and extended so that it would protect against destitution due to unemployment. If a benefit of \$35 a week is not adequate, then the program should be extended during the period of unemployment.

Those are the seven recommendations that are generally accepted.

BY SENATOR GROSSI:

Q Well, just for the purpose of clarification on two of them, Mr. Adelman: One you say that there are one-third of the municipalities in the State of New Jersey that do not accept state aid, and you stated further that, as a result, people who are looking for relief from these communities are normally dumped on those municipalities that have easier access to relief. Right?

A Well, they may not have easier access but the amount of money given them is not the standard set down by the Commissioner.

Q In other words, if a municipality does not accept state aid, they are not bound by the rules and regulations-- A They are not now but they should be.

Q Presently they are not bound by the rules and regulations set down by the Department of Relief - A I wouldn't say they are not bound. They are bound but they don't comply with the law. The law says that you must take care of their needs. Now when a municipality gives a man \$15 when his rent is \$25, it is not taking care of it according to law. That's why we want uniform standards.

Q What is the recourse? A These communities have very light caseloads and they do as they please.

Q Well, you say there is a law - what is the penalty under the law? A There is no penalty now. That's why I say there should be a penalty for noncompliance.

Q That is, for those municipalities that do not accept state aid. A That's right. They chase them into other cities that are on state aid.

Q On the second one, you said that there should be a 30-day period of gainful employment by a relief applicant. You

don't mean 30 days immediately prior, do you? A That's what I mean - immediately prior to his application he should present a 30-day work record.

Q In other words, if a person were to move from the City of Passaic where he had been on relief and he came to Paterson and made application to you for relief, because he would not have a 30-day record of gainful employment he would not be eligible for relief. A Well, if he came from Passaic and he had a residence in Passaic, a legal settlement in Passaic of one year, we would have to accept him here and give him proper aid, and we will bill Passaic and they will pay one hundred per cent, or we have the alternative that we could return him to Passaic.

Q Well, what would be the purpose of the 30-day - A The purpose would be to stop this inflow of people coming here on planes and buses and coming in in the morning and in the afternoon visiting the relief department for aid.

Q Suppose they had a 30-day period of gainful employment in some other state. A Oh, no, we wouldn't recognize that. He's asking us in New Jersey.

Q In other words, you would recommend that the period of gainful employment would have to be in New Jersey? A It would have to be in New Jersey prior to the application so that you wouldn't be in the position the minute they come up here in automobiles in the summertime particularly, and they drive up here with six or seven children in a broken down vehicle and they arrive at the department for help.

SENATOR GROSSI: All right, Mr. Adelman. Thank you very much for your testimony and also for your recommendations.

MR. ADELMAN: Thank you, gentlemen.

SENATOR GROSSI: Now we will call the daddy of the welfare directors, Mr. Joseph Greene, County Director.

MR. RICHMAN: It is now 3:30 and it appears that we will be unable to reach certain of the witnesses who are here today.

So the following are excused for today but will remain under subpoena. You will not again be subpoenaed but you will be notified. This hearing, so far as you are concerned, is being adjourned but you remain under subpoena subject to notification, and you will be notified of a future date: Mrs. Brown, Mr. Shaw, Joyce Thompson, Leroy Pitts, Lacy Currie, Doris Cox, Oscar Sellers. You are excused but still under subpoena.

J O S E P H G R E E N E, called as a witness, being duly sworn, testified as follows:

BY MR. RICHMAN:

Q Will you give us your full name? A Joseph Greene.

Q And your present position? A County Adjuster, County Director of Welfare.

Q How long have you held that position? A 33 years. I might add, County Adjuster 33 years and Director of Welfare with the enactment of the Old Age Assistance Law in 1932.

Q That's very close to 33 years, not too far off.

Q With that background, rather than ask you questions, you know why we are here in Paterson, you know what we are interested in. We would like to know primarily from you what effect this ADC shift has had, what good it has done, if any, what harm it has done, if any; how the thing is working.

A The good that it has accomplished, so far as dollars and cents is concerned and so far as the larger municipalities are concerned, there has been great savings of funds due to the

fact that the eligibility of the new law has been broadened to the extent that persons who would ordinarily apply for emergency relief or temporary relief can immediately apply to the County Welfare Board. As an example of that, children under the new law living with relatives, such as cousins, nephews, and so on and so forth, prior to 1960 were not eligible for home-life, as it was termed by the State Board of Child Welfare. With the enactment of the 1960 legislation, they are eligible for county welfare under the agency program.

I might add at this time that we of Passaic County - and I would like to add that in the record - opposed the enactment of this legislation on several grounds: Number 1, we were opposed to the elimination of residence, which has been eliminated; not that there has been an influx of clientele due to the elimination, but on your other programs you have a year's settlement before you can file, such as old age assistance, disability, and blind assistance. We also opposed the legislation, although the legislators in their wisdom and the Bureau of Assistance felt that the counties would benefit greatly. I might call your attention to the fact that prior to the enactment of this law, the cost of the ADC program was borne by the federal government, state, and county. But, unfortunately, every time the federal government increased a grant, a state grant, instead of sharing that increase per child on an equal basis between the county and the state, the state would keep 75 per cent of that money and allow the counties 25 per cent.

We, since 1946, have had legislation passed, but it was vetoed by two Governors, to equalize the formula on State Board, but it was vetoed each time, so when it is stated that we are

saving money - and that is my reason for making this statement, because there were newspaper articles appearing that the County of Passaic was going to save thousands of dollars, which put our Board of Freeholders in a bad light, and also our Senate and Assembly delegation, for the simple reason that we opposed this, and these figures are misleading, and that percentage that they talk of saving is nothing else but a theoretical saving. That is something that we had been entitled to since 1946, and I again repeat that, so far as savings are concerned in these large municipalities, there is a great saving. I think the testimony given by Mr. Adelman is an indication that the case-load has been reduced while the county case-load has been increased.

Service, so far as clientele is concerned - I think it brings a closer contact with your Administrative Department or your Welfare Board with your clientele. We are staffed so that we can make more frequent contacts with those who receive assistance; in other words, under your present law, we have to make at least one visitation for a complete re-check of a case, but we also under our regulations must make one interim visitation and, through this system of administration that we have which is on a district basis, that caseworker is constantly within the district of his case load. Results - he can call on individual families to see whether they are employed or whether or not conditions have changed, so we have gained greatly through this closer contact between county and clientele.

Q How about the deficit side? Is there a deficit side to this picture? A Yes, and this, in fact, would be one of my recommendations to this Commission. I don't know if you folks have received a summary of expenditures by the County

Welfare Board, but down at the bottom of those figures, when you scrutinize this statement, you will find that I had inserted the breakdown of the allocation of funds; for example, on your categorical assistance programs, it is shared three ways - federal, state, and county.

Now, I call your attention particularly to the old age assistance disbursements, costs. You will note that the federal government allows \$47.50 per case. The balance of costs is borne by the state and county. In this instance, there is 75 per cent state and 25 per cent county. Now, in 1952 I think it was, when the law was amended so that we could give aid to persons entering public institutions such as our Hope Dell Home for the Chronically Ill - now there I call to your attention, instead of carrying through the state formula that had applied on non-institutional cases, the State through their wisdom permits the same \$47.50, but, on the other hand, the balance of the cost is 50 per cent state and 50 per cent county. In other words, the counties get soaked that other 25 per cent. Unfortunately, on all these programs, I, as a county man, was interested in that portion that was paid, due to the fact that in the final analysis this is a direct tax on real estate, and there is no reason why the county should bear a greater expense than what the State does.

Now if you will refer to disability assistance - that's another law that was passed in nineteen - I may not be correct as to the exact date - in 1952 or 1953. There, too, you will note that the federal government allows us \$41.50 a case, and the allocation of the balance is on a 50-50 basis. There again it is the same type of program. Expenses met by the federal government - instead of allocating funds on the same basis as

the original law that was passed in 1936 under the Social Security Act, the counties are not given the benefit of that extra money but it is prorated on a 50-50 basis.

Now, on your ADC, Aid to Dependent Children, the federal government - \$20.50 per adult and child; the balance 50-50. I think it would be well if your Committee would analyze the pamphlet issued by the Tax Foundation, Incorporated, Rockefeller Center, New York, Project No. 46, and analyze the cost of welfare programs by the State. When you come to the State of New Jersey, you will find that we - and when I say "we," I mean we on the county level - are paying a greater percentage of cost than the State. In 1959, as of December 31, 1959, the state percentage cost was 29.8 and the county 34.8.

I think it also would be well if the Commission would go into administrative costs. These funds, the administrative costs, are broken down 50 per cent by the county and 50 per cent by the State, called state funds, but they are not state funds - those are federal funds; in other words, the federal government and the counties are paying your administrative costs. The State does not share, and I think that that is one of the reasons that your percentage is out of proportion to what it is in other states. For example, Massachusetts, a large state - the state's share is 36.4; the county's share or district's share, as they have in Massachusetts, is 24.2. Even the State of New York - the state share is 31.9; the county share 30.1. In other words, we are being penalized - and again, when I say "we," I am referring to the County of Passaic. I think there is a great injustice done when counties must bear a greater responsibility than what the State does. If it is going to be on a 50-50 basis, let's have it

on a 50-50 basis, but I say to you that the State should bear a greater proportion of this cost, due to the fact that they have a broader base of taxation while, on the other hand, we on the county level must bear that additional cost as a direct cost on real estate.

Q Do you have any other recommendations you would like to give us? A Yes, sir. I was very much interested in the testimony this morning. I didn't have this on my agenda, but I listened with interest to the testimony as to incomes on real estate properties, and the thought came to me, Mr. Chairman, it may not be legal but then on the other hand it might be. I noticed the assessments placed on these properties were very low compared to their income. Isn't there a possibility that, when the assessor makes his review of property, he would take into consideration income and, in making assessments, that the assessments would be based not alone on the real estate value, as it is here, but on income, and proportionately assess that person with the large income so that the average taxpayer can get some of the benefits of these rents. I don't know whether it would be legal or not; I think it may be. I think that is something that it would be well for your Commission to look into.

Q We will certainly look into it but my first impression would be that the constitutional provision, which we are all very familiar with now, with respect to true value probably could not be interpreted to include rentals. It might be possible to do that. Of course, you have the other possible objection that this income is subject to a tax on the federal side. I assume they are paying federal income taxes. A When I talk of that, Mr. Richman, I have taken into consideration the fact that

the assessor in taking that into consideration, instead of assessing on total income, can allow for the things that you mentioned, in addition to the period of vacancy, -a loss, and instead of taking the total income on a year, it can, as you do now in assessing property at 100 per cent value, they could take 50 per cent or 60 per cent of income.

We find that in administering our program, and I am pretty well satisfied that the State Department of Institutions and Agencies, the Bureau of Assistance, has given a great deal of thought to vendor payments. I realize and I know for an actual fact that in administering these programs, we are limited as to what we can do and what we can't do, due to the federal government. I know for a fact that in our administration presently we are allowing medical expenses, pharmaceutical expenses, dental expenses, the purchasing of furniture, and so on and so forth. Under our present system, the client has a right of calling in any individual for medical care or dental care. That is their privilege. Then, after the work is completed or the visitation is made, the professional man renders his bill to the client and the client sends the bill to the Welfare Board. We, on the other hand, increase their grant by moneys to meet the payment. We have found that it has been a practice, I might add not by all - it might be a small percentage of cases - that they secure this money and don't pay, with the result that it is utterly impossible at times to get a doctor to make a visit. When they go to have their prescriptions filled, the pharmacist says, "You didn't pay me the last time," and they say, "We didn't get it from the Welfare Board." We have checked and we know that that is an actual condition, and it is my recommendation that this Commission

recommend to the Department of Institutions and Agencies immediately that a vendor payment system be put into effect. I know they have it under consideration and I know they have been working on it, but the longer we continue on the basis of what we are, the harder it is going to be to have a change-over.

Q While you are on the subject, do you think there is any possibility that certain elements of the medical or dental profession, if they were sure their bill was going to be paid directly by a governmental agency, would take any advantage of that fact, or would you have a limitation on charges or a schedule of charges?

A We have a schedule of charges, sir. I will say this, there is a possibility that doctors might take advantage under your present system than they would under the other, for the simple reason they are going to "up" their price or put in more visits. They don't know how much they are going to get paid, but if we pay direct they are sure. The State has set the price per home visit. The State right now is setting up a department for the analysis of all pharmaceutical supplies. I might say that we in Passaic County right now, at the last meeting of the Welfare Board - I had discussed the possibility of appointing a screening committee whereby the doctors will send us a copy of the prescription and we will analyze it and I believe through that method we will save quite a bit of money, for the simple reason - and one of the biggest things that are used in homes, especially where children are concerned, are your vitamins. You can buy a vitamin for \$6.00 and it might have the same ingredients as a vitamin at \$2.00. With a screening committee, there is a possibility of calling to the attention of the doctor or to the pharmacist that this is what we want. I think it would be of great benefit all the way

around.

Q I might say that I am quite sure that Assembly Bill No. 699 which is presently under consideration does have the vendor payment system in it. A I might say that I am familiar with that A-699 and there too I might call your attention to the fact that that bill is silent in so far as administrative costs are concerned, but it places the cost of administration on the county and, by the same token, it permits the Department of Institutions and Agencies to set up all types of boards and professional men, and still we at the county level have to pay for it, not saying 50-50, but it's 75 per cent for the county and 25 per cent for the State. There again the counties are left holding the bag.

I'm sorry that I was not in here; I assume you had a meeting here on illegitimates.

SENATOR GROSSI: That was a private hearing.

THE WITNESS: Yes. I have a recommendation there, Mr. Chairman, with your permission. Presently, you oftentimes hear, "cut them off; they are not deserving." I am opposed to anything of that kind. In the final analysis, you are dealing with kids. If you cut them off, it would be unfair to them. But I say to you gentlemen that some steps should be taken and instead of penalizing the children, there should be legislation or rulings by the Department of Institutions, Bureau of Assistance, permitting welfare boards to allocate shelters on a private basis whereby, if we have a family or a woman having one, two, three, four, and five - every time there is an addition to the family there is an increased grant - but if we had some regulation or some law - I don't think a law is necessary; well, yes, a law may be necessary, whereby

welfare boards, in cases of that kind where there is misconduct and the morale of the house is very low, be permitted to take these children out of the home temporarily and place them in private shelters and pay them a fee worth while for them to go into the business themselves.

Unfortunately, I might add this also, at present that type of case under your present regulations and law you should refer to the State Board of Child Welfare which has charge of care and foster care. Well, you know the situation, and I am not blaming them. They have their hands full. We get 4 or 5 kids or 10 families for placement in foster homes. They can't do it. It is humanly impossible, but if the law were amended and regulations made whereby county welfare boards might open these places -

Now, we have a shelter here. I am opposed to that type of shelter for these kids. You are taking them out of family life; you are taking them out of school; they are not associating with other children. But with this type of shelter, they can go to school and they are associating with other children. The important factor is that in this home, instead of four walls for an institutional program, they have somewhat of a home life and there is a possibility that the kindness of the person running this place might be instilled in that kid, so that by the time he gets home he will at least know what it is to be in surroundings that a child is entitled to.

We cannot do that now, for, if we were to establish that on a county level, we would have to bear the freight; I again say "we," meaning the county. I think that that will answer the problem a great deal and, if the State would share on that cost, we could turn around when we appear in court in a case of that

kind and point out or recommend to the court that the mother be sent away for 30 or 60 days and we will provide for the children. I mean temporarily only; I don't want to take any child away from a parent, no matter how bad the conditions are at home - a child is still a child and the love of the parent always exists.

I recommend that the Commission check into that phase if you have the time. I also might make another recommendation and it will go for savings of thousands of dollars: Right now, in cases of desertion and neglected children, complaints are made, they are heard in court, and the judge will say, "All right, you are put on probation and have to pay \$30 a week, \$5 a week, \$10 a week." Unfortunately, the general public does not recognize the value of good organization so far as probation is concerned. I know; I have been around county government for a number of years and every time there is a request for an additional probation officer, there's a hue and cry that there's money being spent and new jobs created. One does not sit down and analyze that if we were to appoint, or the courts rather, would appoint one or two probation officers, whose sole responsibility would be to follow through all persons put on probation and ordered to pay - I think it would be of interest to you folks if you would go into a Probation Office and ask them how much is outstanding - hundreds of thousands of dollars. It is not only the dollars and cents that are involved. The persons who have been brought into court and ordered to pay are in contempt of court, and what is the net result? He misses one, two, or three payments and nothing is done. Pardon my language - they say, "The Hell with the court." You are not only losing that money, you are losing the respect that the court should command.

I think if you folks will check into it, you will find that not only in Passaic County but it is prevalent throughout the State and your governing bodies must realize that it might be \$12,000 in dollars and cents, but the possibility of one, two and three hundred thousand dollars in the larger counties will be brought in and, in addition to that, the important factor is the fact that they are going to have respect for the court. Just as I have recommended on the shelters, if they go to jail for 30 days or 60 days they are going to be a little more careful. Also, this has all come to the fore on the ADC program. Of course, most of it applies as far as the ADC is concerned. We can do a job and are ready to do a job, every county in the State. I think the Bureau of Assistance has set up beautiful regulations that are workable. They have been very cooperative and they deserve a lot of credit, so far as they are concerned. They, too, as are the counties, are limited as to staff and funds.

Now, you take on these indictments for desertion: You are familiar with the fact that there is reciprocity with almost every State in the country. An indictment is brought in for desertion; it is referred to the Prosecutor's Office or in some counties to the Sheriff's Office for serving a subpoena and bringing in the deserter if possible. Have you ever checked, and I think it would be well for the Commission to do that, on your Prosecutors' Offices in the State of New Jersey to find out how many indictments, how many times they have assigned men and detectives to try to find these desertees. There again, dollars and cents - but if the Prosecuting Department in the counties would appoint one or two, or whatever is necessary, with the specific responsibility of following through. Of course, you are going to be criticized - when I say "you," I don't mean you

as individuals, but your counties will be criticized for making additional appointments, because it is not explained. The taxpayer assumes that the appointment of a probation officer or a county detective is a political job, and they will tell you that there are too many as it is now, but if it was specifically mentioned that this is for a specific duty, to find desertees, or to follow through on delinquents on probation.

I think, Mr. Chairman, I have covered as much ground as I would like to now, and it has been a pleasure and a privilege to be here before you.

Q We were glad to have you, Mr. Greene, and, of course, the items that you discussed with respect to following through on deserters and checking out the probation offices for the purpose of determining how much money is outstanding is going to be done by the Welfare Committee.

With respect to persons under the ADC program - of course, I feel that you have under your jurisdiction now a large percentage of illegitimate cases. Do you know how many of your ADC proteges are of the illegitimate variety? A Mr. Chairman, I am not in a position to answer that, but I will make this statement, that we are carrying at the present time 1072 families involving 2946 children, and out of that total there is a possibility of 20 per cent - I don't want to be placed in a position, for I have never taken the time to break it down, but the percentage is rather high for that small group; in other words, you will have one woman with five or six illegitimate children.

Q We had one here today with four illegitimate children by three different fathers and another one on the way also illegitimate, and there is a strong possibility they will wind

up in your division, because she did say that she made application to the county, and eventually it will probably come to your attention.

Now, when these people come to make application, and particularly in the case - of course, they are without fathers, otherwise they would not be eligible. A Well, the father might be incapacitated.

Q Either disabled or a deserter or illegitimate.

A That's right.

Q Those are the only three categories under which they can come under your care. A That's right.

Q Assuming they come up and make application, either where the father has deserted or where the children are illegitimate, do you make them make complaints before you give them aid?

A Yes. Yes, we insist upon a complaint and there too, Mr. Chairman, the complaints are made - there too, if you will check your court records, the same thing is there as it is on everything else, lack of personnel; they can't follow through; the courts are jammed; they can't serve; they can't do this and they can't do that.

Q Once the complaint is made, they are out of your jurisdiction. A They are. We are finished. I might add that the law does not compel you, in order to be eligible, that a complaint be made. That has been eliminated. There is nothing in the law that says you must make a complaint. You do that because you want to try to get -

Q The law is only concerned with the welfare of the children? A That's right.

Q But as a matter of policy, good sense, and good government, complaints should be made and followed through. A Well, here are some figures, Mr. Chairman, if you want.

Q Yes. A Desertion cases, 450 in the year 1959.

Q 459? A No, 450 in the year 1960.

Q Oh, that's in 1960. A 1960, since we have taken it over.

Q Those are desertion cases only? A That's right.

Q You wouldn't have any figure as to the amount of illegitimate children? A No, Mr. Chairman, we haven't the staff to work out the statistics.

Q You couldn't work that down for us? A I guess we could. We would have to go through the whole caseload.

Q You only have three categories - one where there is disability; two is a deserting father or mother, as the case may be; and three would be illegitimacy. A But in order to get those figures, Mr. Chairman, we would have to go through 1072 cases to pick out the cases where there are illegitimate children.

Q Could some of our people help? A Not very well. You would have to be trained to be able to go through those things, but if it's a witness of the Committee I assure you I will assign several caseworkers to make an analysis.

Q Well, we would like to point out to the people of the State of New Jersey the seriousness and the increasing number of illegitimate children that are being foisted upon the county agencies and the state agencies, and we can't do that unless we are able to get some figures. A Mr. Chairman, you shall have those figures in so far as Passaic County is concerned; that is, approximately.

Q If some of our investigators can help, we will be glad to assign them to you, and I might say they are intelligent and well trained.

A I might say to you, Senator, that there too federal restrictions do not permit outsiders to review the files.

Q Well, they wouldn't review the files. A Well, they would have to in order to find out the illegitimate children, but I'll secure those figures for you.

Q What is the largest single disbursement that your office makes to any one family in Passaic County? A Well, I recall one, or several, over \$600.

Q \$600 a month? A \$600 a month. That is exclusive of medical care or dental care.

Q Is that exclusively for the number of children in the family? A That's right, sir, based on the number of children.

Q If a hypothetical family, say there is a mother and one child and either the father deserted or the child is illegitimate, what is your obligation? A Well, your statement that you have there, Mr. Chairman, you will find that our average grant for the year 1960 was \$175.22 per family.

Q Per family? A That's right.

Q Well, let me ask what is the number in the family?

A Well, that's the average. In other words, in order to answer your question intelligently, sir, we work on a manual. There are basic items on that manual such as so much for food, so much for household supplies and expenses; on shelter there is no limit.

Q Does the age of the child determine the amount of money? A Age of the child and all that, that's right.

Q Let's assume, for instance, that you have a woman who has three children and now a fourth one comes along; how

much do you increase her budget by? A Based on what the manual permits, Of course, your rent remains as is. It would be your food, your household supplies, utilities.

Q Well, generally how much - \$50 a month, \$60 a month?

A I'm sorry I haven't got those figures with me. The average, I think it runs \$47 a child. I think that's the average.

Q And then as the child grows older, progressively more money would be allocated? A Yes. Of course, you have your age brackets.

Q That's what I'd like to get. A They change with age.

Q But your largest single disbursement, exclusive of medical care, is about \$600 a month for one family. A Oh, no, that's where there is a large family. The average -

Q I didn't say "average." I meant the highest disbursement that you have made is \$600, or over \$600 a month, for a family. A Yes. We have had that type of case.

Q Now, when you give them \$600 a month, that includes food, shelter, and corollary items; that \$600 is disbursed by you by check directly to the client. A That's right.

Q Out of which they are supposed to pay their grocery bills and their rent. A That's right, sir.

Q Now, has there been to your knowledge, or are there presently many of these persons who are delinquent in their rent by several months or who owe grocery bills that are quite old because they have not paid them? A Now, I would say, Mr. Chairman, that that is probably negligible for the simple reason that through our system of contact - I am talking about these basic items in the budget, such as food and rent - as soon

as the landlord does not receive his rent, they know our checks go out the first of the month, and they are there to collect. On the merchants that deal, if they don't come and pay and they don't get their payments immediately, we are notified and we immediately have a caseworker assigned to that case to follow through.

Q Well, we have found several cases or many cases throughout the State where people who receive their checks, either they have a boy friend or they are drinkers and, to the detriment of the children, use the money for purposes other than food and drugs and for giving them the proper care they need. Therefore, your suggestion is and the Committee will take it under consideration that the department pay directly to the vendors in order to prevent the misuse of the moneys that are allocated.

A That's why I broke down those things that we could pay vendors. Now, you take on food and things of that kind, Mr. Chairman, we would not be able to make a direct payment, because that would be contrary to federal regulations. That would be classified as a restricted payment. We have no control over telling them how to spend that money. They are eligible for assistance and we have to give it to them. That is their's.

Q Does that include rent? A Yes.

Q In other words, you can't do it unless there is an absence of federal regulations. A That's right. In other words, once you do that - it's a restriction - you are living the life of the individual. I might say that prior to 1936 when this old age or social security act was passed, in administering old age assistance we did have control, but now we have no such control.

Q That's all I have.

MR. RICHMAN: We want to thank you, Mr. Greene and Mr. Adelman, for being very helpful to the Committee.

SENATOR GROSSI: We want to thank both of you for your very helpful testimony and you may rest assured that your recommendations will receive very careful study and probably will be passed on to the Legislature. The only thing - I don't know, maybe I could ask you, Mr. Adelman: The same restriction that Mr. Greene spoke about in paying rents directly does not apply to direct relief, does it?

MR. ADELMAN: No. The local assistance program is not a federal program. It is between the State and the local departments.

BY SENATOR GROSSI:

Q So there is a difference between those programs.

By the way, Mr. Greene, prior to 1960 - in 1959 what was the disbursement of the county for aid, welfare? A Well -

Q Roughly - in hundreds of thousands of dollars.

A Well, I might say for the year 1960 the Board of Freeholders appropriated \$548,000 for ADC, but we had to make a transfer of approximately \$65,000 at the end of the year because it was short.

Q So that in 1960, it cost over \$600,000. A That's right.

Q What did it cost in 1959? A Well, I wouldn't even make an attempt to state.

Q Was it a whole lot less? A Yes, it would be less for the simple reason that the formula at that time, 1959 - we only paid 32 point something per cent of the cost. Now we are paying 50 per cent.

Q So there was an increase? A There is a difference.

Q Now in 1961 what is the projected picture?

A I have recommended to the Board of Freeholders over \$700,000, an increase of approximately \$200,000 over the year 1960.

Q That the welfare program in the county will cost.

A That is the county's share.

Q The county's share will be \$200,000 more than it was in 1960?

A That's right.

Q And is that because you have absorbed from, we will say, the Relief Department of Paterson, the Relief Department of Passaic, and other communities some of the cases that were on direct relief but have now been transferred to home life assistance.

A Right, and due to the fact that the eligibility and the facilities have been broadened.

Q So that we pay in Passaic County a mandatory - That is mandatory, isn't it?

A Yes.

Q - a mandatory appropriation of about \$200,000 more for the administration of welfare.

A No, direct assistance. That

does not include administration.

Q You mean, administration cost plus will be over \$200,000?

A No, no. Direct assistance will be \$200,000 more than 1960.

Q That does not include administrative cost?

A No, sir.

Q And are the administrative costs increased too for 1961?

A No, for the simple reason in setting up our budget for the year 1960, we had estimated the number of case workers staff that we would need and we projected to the extent the peak load we had made provisions in 1960 and we are carrying the same provisions in 1961, for we were unable to fill our personnel due to the lack of applications.

Q What is the case load per worker?

A We average

about 105 per caseworker.

Q Is that average or too much? A That's high.

Q That is high. A Yes. I would say, in order to do a good job, a caseload should run between 80 and 85, but in allocating our case load, sir, we do not break down the caseworkers on individual categories. They will carry a percentage of old age disability and child welfare. Now, on old age there is not as much work attached, service attached, as there is in child welfare, so a caseworker can carry 70 old-age cases and 30 of the child welfare cases. We try to break it up evenly, but our caseload at the present time is rather high per caseworker.

Q All right, Mr. Greene. Thank you very much.

A Thank you for the privilege.

HEARING ADJOURNED

(over)

PASSAIC COUNTY PROSECUTOR'S OFFICE
 COURT HOUSE BUILDING
 PATERSON, NEW JERSEY

The following is a list of household furniture appraised at 58 Paterson Street, Paterson, N.J., on the first floor, 5 room apartment, occupied by tenant Primitivo Lopez:

One China Closet, broken	No value
Three wooden chairs, broken	No value
Electric refrigerator, very old	No value
Gas Stove	\$ 5.00
Washing Machine, very old	No value
Kitchen Table	1.00
Chifferobe, broken	No value
Single Iron Bed	No value
Mattress	No value
Utility Cabinet, broken	No value
Vanity	No value
Arm Chair, broken	No value
3 Pc. Living Room Set	8.00
Straw Rug, torn	No value
Table	No value
Wooden Chair, damaged	No value
Bed, Spring, Mattress, very soiled	No value
Kitchen Table	No value
Iron Bed, 3/4 size	No value
Spring and Mattress, soiled	No value
Single Bed, Spring, Mattress, bad condition	No value
Two Baby cribs, no value	No value
Two Broken Dressers	No value
Studio Couch, soiled	No value
Night Table, broken	No value

Total Value \$14.00

All the furniture at the above apartment is in very poor condition and all the bedding unfit for use.

William Fisher

Edward Schwalb
 Edward Schwalb

