

JAN - 9 1991

Senate President Lynch, Speaker Doria, members of the Senate, the Assembly, and all of you out there listening and watching. Just about a year ago I stood in this building and took my oath of office.

1990, to say the least, wasn't a year for the faint-hearted.

There was a lot of controversy. Much of it because we had to raise taxes. And that's never easy. We moved much faster than many people were prepared to move.

Some say we didn't explain what we did as well as we could. There may be some truth to that.

But the steps we took prepare us to move ahead to make 1991 a year where we deliver on the promises of 1990 and find new ways to make life better for our people. Tonight I stand here proud of New Jersey and its people. Proud of what we've done to prepare for our future.

I know a lot of people are worried about that future.

Let me tell you about a young couple I know -- Greg and Ann. Like a lot of couples their age, they both work. They have two lovely children. They've just bought an old house that needs lots of fixing up. Their lives are a constant juggling of work schedules and child care. Late at night, when the kids are asleep, they spend their little spare time painting the upstairs.

Greg happens to be my son, but he could be anyone's son. He's nervous about the future. Who wouldn't be? But he's not alone.

In Middlesex Borough, the Cattano family I visited wonders how to save for their children's education.

The Rogers family in Wayne thinks about what kind of schools await their new baby, Peter.

Down in Absecon, the Lobellos hope their home will be the retirement nest egg they once thought it would be.

Change is sweeping the world. It's very unsettling. A national recession puts prosperity and opportunity to the test. People everywhere want to know: is government on my side or in my way?

People have a right to ask these questions.

But let me make it very clear. In New Jersey, we're prepared with answers.

Yes, I know the prophets of doom and gloom want to hang out a sign that says, "Welcome to hard times." Well, I'm not buying that! As far as I'm concerned, they can hang that sign someplace else.

Because in New Jersey we worked too hard last year to make this state a good place to live.

We're ready.

We made choices others are just starting to face up to.

In 1991 we're the strongest state in the region.

Our credit rating's number one in the nation.

Businesses are moving in.

We're going to grow, and build, and create jobs for people who want to work.

In 1990, we laid a firm foundation for 1991. More important, we're ready to deliver on our promises because we listened, and we changed things that needed changing.

Like car insurance -- my top priority when I took office. With help from leaders like Senator Ambrosio and Assemblymen Bryant and Aduato, we took the insurance companies out of the drivers seat and put the people back in. I'm happy to tell you the law I signed last year makes sure that, as of April 1st, every policy written or renewed in New Jersey will have something missing.

\$220 per car! That's the JUA surcharge we got rid of.

Some insurance companies are fighting us in court but the state of New Jersey will keep standing on the side of the drivers. Commissioner Fortunato won't sit back and let the savings we fought for be washed away by rate increases for good drivers.

With the leadership of people like Senator Weiss and Assemblyman Watson, we took on the fight against the most unfair burden we face: property taxes. This year we'll see the results.

The big increases of the past decade will stop.

Homestead rebates will go up for hundreds of thousands of people.

I'm calling on the Legislature now to make sure that hardworking homeowners and tenants have their checks in hand by July 31.

We took direct action to help the middle-class property taxpayer. And I know leaders like Speaker Doria and Senate President Lynch won't just hope it works. They'll join me in making sure the steps we took mean savings for you.

The State Supreme Court declared our school funding system illegal and unconstitutional. So we passed laws that said the quality of our children's education won't depend on the accident of where they happen to live.

Every child is entitled to a quality education. But we made it clear that taxpayers had to get something back for the extra money we're investing in our children's future. We're giving more, but we expect more -- not just from students, but from everyone involved in educating our kids.

Commissioner Ellis, and legislators like Senator Feldman and Assemblyman Naples, will make sure that our expectations are fulfilled. Our Quality Education Commission will keep looking at how we can make our new system work better. I look forward to what it recommends.

Meanwhile, I'm eager to sign laws in 1991 to make sure the "3R's" are joined by the "Big A" -- Accountability.

We need new ways to measure our children's progress.

We need tough ethical standards for school officials.

We need an Inspector General to take aim at corruption and waste.

A state that cracks down on those who pollute our water should do no less with those who steal from our children.

In 1990 we started to take a long overdue look at state government. Our Audit Commission is showing us ways to save money. But it also tells us we can be smarter in the way we do what needs to be done.

So I'm announcing tonight that I've accepted the Audit Commission's recommendation to end the car inspection system as it now exists. We can contract with private firms and do only the air pollution testing that's required by federal law. We'll sacrifice nothing in safety.

For once we'll be listening to the drivers of New Jersey who've been saying for years that something is wrong.

In working for a smarter government in 1991 we'll continue to move ahead. Starting with a hard look at how state government has to be reshaped -- even redefined -- to meet the real needs of real people.

We'll keep in mind two goals.

First, having government as small as it can be, and still doing what it has to do.

Second, making sure what we do makes sense -- common sense.

That means government should have the courage to do what it must do, and the wisdom to get out of the way when someone else can do it better.

Right now our government is like the fellow who drinks, smokes, eats too much, and wonders why his doctor is so upset.

We have 19 departments in state government. We have more authorities and commissions than I could name. Frankly, we have more than we need.

Soon I'll announce my proposals on how we can reduce the number of departments, and make government make sense. I'll listen to the suggestions of others -- in and out of government -- on how we can do this. Then we should reason together. The goal is to strike the right balance.

In 1991 we'll find that balance by paying attention to what needs doing most and then doing it better. We can be leaner and still find new ways to meet people's needs.

For example, we won't sit back and watch college costs grow out of reach for middle-class families. As someone who went through Trenton State College on the GI Bill, I know it isn't always easy. and back then tuition was only \$150 a year.

I want to follow Senator Dalton's and Speaker Doria's ideas to offer discounted savings bonds now to pay for college later. And to let people borrow up to \$5,000 a year at fixed, reasonable rates.

All parents want their children to go farther than they did. They should never have to apologize for not being able to do enough. Because as far as I'm concerned, education is just another word for opportunity.

We also have to do more to help our people share in the American Dream of owning a home. Home ownership is down in New Jersey and we can help change that.

So I'm pleased to announce an agreement with the Federal National Mortgage Association -- "Fannie Mae." It will provide \$250 million in reduced-cost mortgages for middle-class first-time homebuyers. We'll reduce the upfront costs and put owning a home back in reach of more people.

And a revitalized homebuilding industry will help jump-start our economy and create jobs.

Saving money is important. So is saving lives. We must renew our pursuit of safe streets and secure neighborhoods. Nothing means more to us and our families. So cracking down on crime is high on our agenda.

That means fighting for a Constitutional amendment sponsored by Assembly members Ford and DeCroce to protect the rights of crime victims.

Above all, I want a death penalty that doesn't just exist on paper. We have it -- we should use it.

This should be the year we cure our seriously ill health care system. Too many people can't afford to get sick because it costs too much to get well.

I want to work with the Legislature on a solution that puts the brakes on costs and makes sure everyone has access to quality care. I'm especially concerned that we help senior citizens. Last year they paid \$129 million out of their own pockets for costs above their Medicare and co-payment.

For so many younger people there's no more important issue than child care. As mothers and fathers both work, they need places where their children are safe and secure and where they get real learning at the stage in their lives when it does the most good.

We're working on a major initiative to double our current resources for child care. So more parents can have peace of mind and more children can have the good start in life that they need.

In New Jersey we will never let down our guard against polluters who threaten our water and air. With the leadership of people like Senator Van Wagner and Assemblyman Smith, we did a lot in 1990. We collected record fines from polluters. We had the fewest beach closings and the best water quality in many a summer at the Jersey shore.

We can do more, and we will.

This year our ocean will stop being a septic tank, and go back to being the precious resource we love. On March 17th, we keep our pledge to ban all dumping in the Atlantic Ocean.

And this year I want to sign a tough law that protects the shore once and for all from unreasonable development.

And perhaps most important in 1991, I want state government to be a true partner with the business men and women whose skill and drive mean so much to this state. So I'm proposing that we call together an economic conference. Leaders from business and labor, and both political parties, will get together and map a strategy for keeping this state growing, and for selling our benefits to the world.

We'll soon be announcing an agreement with New York state to help cement this region's leadership position in the global marketplace. It will outline how our two states will work together to increase exports and bring more international business here.

Government should be an engine that drives our economy, not a weight that holds it back. Investment and work will mean jobs today and a secure future tomorrow. We can make those investments because we made the right choices in 1990.

We kept New Jersey's Triple-A credit rating -- highest in the nation. And you don't have to be a Wall Street tycoon to get the benefit of that. What really counts is the impact on Main Street. It means jobs.

It means saving millions of dollars as we get the capital to build roads, schools, bridges.

Work that's been deferred too long.

Work that means keeping New Jersey's competitive edge far into the 21st century.

With the help of people like Commissioners Downs and Zoffinger we'll prime the pump of New Jersey's economy.

Our people know how to work.

They want to work.

And there's work to be done to keep this state great.

A national recession is the ideal time to invest in New Jersey and we can. That's why I'm calling on the Legislature to follow the lead of Senator Rand and raise the cap on the Transportation Trust Fund. That step alone would mean 7,000 jobs.

Tomorrow I'm going to Atlantic City to talk about finally building a world-class airport there. More jobs.

That will feel good. Like it did when I was in Jersey City for the announcement by Tropicana Orange Juice to build a plant there. Like it did in Piscataway when Pepsi Cola broke ground for a bottling plant. More jobs.

And in Mount Olive just last week when our commitment to work with business brought in BASF Corporation with thousands more new jobs. Ladies and gentlemen, I've got my shovel ready to break ground in every corner of New Jersey.

1990 was a year when a lot of people got involved. From my office I could hear the drama unfold on the steps of the State House. One day some people would come down and say: spend more money on the arts, or college, or agriculture.

Another day, another group would come. Just as vocal. Just as committed. But insisting we spend less on everything.

A conflict? Sure. It's called democracy. Sometimes it's loud and messy, but it works.

I hope you'll stay involved in 1991. From the school house to the State House, wherever decisions are made that affect your lives.

Ask questions -- demand accountability. It's your government -- and your money.

People don't have to agree on everything. But we can't be so paralyzed by differences that we ignore the challenges we face.

So let me conclude by stressing again: 1990 was about investing. 1991 is about dividends.

March 17th: no more ocean dumping.

April 1st: no more JUA surcharge.

July 31st: Homestead rebates of up to \$500.

Tuition help for the middle class.

Home ownership for more people.

A more sensible car inspection system.

Leaner government.

New roads.

Jobs.

Let's all work together, there's a lot to do. We have something good here in New Jersey. Something worth keeping.

I spoke earlier about a sign some people want to put up. Let's all of us join hands and put together a sign of our own. A sign that says: "New Jersey Works."